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Advisory Committee on Administrative and Budgetary Questions

Second to thirteenth reports on the proposed programme budget for the biennium 2000-2001 and fourteenth and fifteenth reports on the programme budget for the biennium 2000-2001

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Document A/54/7/Add.1

Second report

Administrative expenses of the United Nations Joint Staff Pension Fund

[Original: English]
[14 October 1999]

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Standing Committee of the United Nations Joint Staff Pension Board on the administrative expenses of the United Nations Joint Staff Pension Fund (A/54/206). During its consideration of this item, the Advisory Committee met with the Chairman of the Standing Committee of the Pension Board, the Secretary of the Board and, with regard to investments of the Pension Fund, with the representatives of the Secretary-General.

2. The report of the Standing Committee of the Pension Board is submitted pursuant to the decisions of the General Assembly contained in its resolution 46/220 of 20 December 1991. The report includes the revised budget estimates for the biennium 1998-1999, the budget proposal for the biennium 2000-2001 and a request for authorization for contributions to the Emergency Fund for the biennium 1998-1999 (ibid., para. 3).

3. The Advisory Committee welcomes the inclusion of workload indicators in the report; in the future these statistics should be linked analytically to the request for resources. Furthermore, the Committee recommends that efforts be made to streamline the report by having more focused and concise narratives and that a distinction be made between the functions carried out in New York and in Geneva. The Committee notes some imprecision in various categories of expenditure with regard to the "recosted" and "current" rates of the resource requirements for the biennium 2000-2001. For example, the resource requirements set out in various paragraphs of section VI of the report represent "recosted" rates, not "current" rates. This should be clarified in the future.

II. Revised budget estimates for the biennium 1998-1999

4. The Standing Committee approved the submission to the General Assembly of the revised estimates for expenses chargeable to the Pension Fund for the biennium 1998-1999 amounting to $57,514,000 (ibid., paras. 16-21). This includes an increase of $3,282,800, or 6.1 per cent over the revised appropriations of $54,231,200, approved by the Assembly in its resolution 53/210 of 18 December 1998, and $7,444,500, or 14.9 per cent over the initial budget of $50,069,500 for the biennium 1998-1999 approved by the Assembly in its resolution 52/222 of 22 December 1997.

5. As indicated in paragraphs 22 to 33 and annex II to the report, the additional resources of $3,282,800 relate to additional requirements for the Investment

Management Service. These include an increase in advisory and custodial fees of $2,563,100 from $28,600,000 in the approved appropriations for the biennium 1998-1999 to $31,163,100 in the proposed revised estimates for 1998-1999. For the biennium 1998-1999, the revised advisory and custodial fees, based on a flat-fee arrangement, would amount to $14,561,900, for small cap funds to $6,208,500 and for custodians to $10,392,700. The last two figures are based on the market value of assets of the Pension Fund (ibid., paras. 25 and 154).

6. The Advisory Committee notes the concern of the Standing Committee (ibid., paras. 74, 75 and 77 (*f*)) regarding the level of the advisory and custodial fees and the presentation of the fee structure. The Advisory Committee notes that the Standing Committee recommended that a substantial change be made in future presentations of the budget estimates under investment costs so as to provide clear indications as to the costing factors utilized, including specific information on the assumptions made.

7. The Advisory Committee recalls that the responsibility for the investment of the assets of the Pension Fund is vested in the Secretary-General, who is advised by the Investments Committee.[1] The representative of the Secretary-General informed the Advisory Committee that discussions were under way on possible new arrangements for estimating investment fees. The Advisory Committee was further informed that it was likely that not all the investment costs projected for the biennium 2000-2001 would be required in view of the current discussion on alternative arrangements. In this connection, the Advisory Committee concurs with the observations of the Standing Committee that the resources approved for fees could only be used for that purpose and that should there prove to be a reduction in those fees, there should be a corresponding reduction in that budget line (ibid., para. 77 (*f*)).

8. The Advisory Committee recommends that any proposed solution should take into account past experience and an analysis of future trends. The Committee also recommends that no further action be taken by the General Assembly on the level of fees, pending the conclusion of the above discussions between the Secretary-General and the investment advisers.

III. Proposed budget for the biennium 2000-2001

9. As shown in table 1 of the report (see A/54/206, sect. VI), the proposed budget for the biennium 2000-2001 amounts to $62,324,900, comprising administrative costs of $18,534,400, investment costs of $42,992,700 and audit costs of $797,800.

10. As also shown in table 1 of the report, administrative costs would increase by $1,385,200 or 8.1 per cent, from $17,149,200 appropriated for the biennium 1998-1999 to $18,534,400 proposed for the biennium 2000-2001. The Advisory Committee notes from paragraph 85 of the report that, as a percentage of the total pensionable remuneration for the biennium 2000-2001, administrative costs would represent 0.24 per cent, as compared to 0.23 per cent in the revised administrative costs for the biennium 1998-1999 and 0.21 per cent in the initial administrative costs for 1998-1999. The Advisory Committee recalls its concern as to the need to monitor closely increases in these costs.[2] In this connection, the Advisory Committee welcomes the intention of the Committee of Actuaries to monitor the actual progression in administrative costs over several years before determining the

method and factors to be included in subsequent valuations (A/54/206, para. 88). The Advisory Committee was provided, upon request, with a table of annual statistics for the Pension Fund for the years from 1996 to 1998 and a summary of its operations from 1971 to 1998 (see annex I to the present report).

11. For the biennium 2000-2001, under administrative costs, post requirements of the Pension Fund secretariat as proposed by the Chief Executive Officer of the Fund to the Standing Committee, would be 119 posts, as compared to 113 posts for 1998-1999 (ibid., paras. 67-69). The proposal includes the establishment of six new posts (1 P-4, 1 P-3 and 4 General Service), the conversion of seven temporary assistance-funded positions in the biennium 1998-1999 to established posts for the biennium 2000-2001 (2 P-3 and 5 General Service) and four reclassifications (1 P-5 to D-1 level, 2 P-4 to P-5 level and 1 General Service (Other level) to General Service (Principal level)).

12. As regards the request for six new posts, the Standing Committee recommended approval of the full quantum of additional resources requested for the new posts, but in the form of general temporary assistance resources rather than new established posts, with specific earmarking as to the use of some of the additional temporary assistance funds (ibid., para. 77 (*d*)). For two of the posts proposed by the Chief Executive Officer of the Pension Fund (1 P-3 in the Executive Office and 1 General Service in Executive Direction and Management), the Standing Committee discouraged the allocation of resources since they did not have a direct impact on the operational servicing functions of the Fund, but recommended that the resources for the posts be made available for further work on information technology and process re-engineering, subject to the Pension Board's review of the strategic plan (ibid.). Upon request, the Advisory Committee was provided with a table, shown as annex II to the present report, summarizing the proposals of the Chief Executive Officer of the Fund and the posts recommended by the Standing Committee.

13. The Advisory Committee notes that, of the four posts proposed for reclassification, three have been reclassified at the proposed level by the Office of Human Resources Management (ibid., para. 77 (*e*)). With respect to the fourth post, the Committee understands that the Office of Human Resources Management has concluded that the classification of the post of database administrator in the Information Management Systems Section should be maintained at the P-4 level. The Committee was informed that the proposed administrative costs would be reduced by $23,800 for the biennium.

14. In view of the observations of the Standing Committee in paragraphs 77 (*c*) and 77 (*d*) of its report, the Advisory Committee recommends that the need for the permanent establishment of the four new posts recommended by the Standing Committee (1 P-4 and 3 General Service) and the possible authorization of two additional posts requested by the Chief Executive Officer of the Pension Fund (1 P-3 and 1 General Service) be further examined upon the implementation of the recommendation of the Standing Committee in paragraph 77 (*c*). Pursuant to that recommendation, the Chief Executive Officer of the Fund was requested to provide a strategic plan to the Pension Board at its next session that would address the inside and outside factors that have an impact on the Fund's operations, and would provide an indication of the objectives and how to achieve them, including time-lines and milestones. He was also requested to provide a clear framework for the transfer of

functions and the redeployment of posts from New York to Geneva (ibid., para. 77 (*c*)).

15. The Advisory Committee notes also that further enhancement of the role of the Geneva office would have to continue to be pursued in a phased manner (ibid., para. 45). In the view of the Committee, there is a need for more transparency about the staff and non-staff costs for the Geneva office and the benefits of the transfer of functions from New York to Geneva. The Committee therefore believes that, before any further redeployments, a qualitative and quantitative analysis should be made of the cost-effectiveness of such transfers and staff redeployments. In this connection, the Committee agrees with the statement made by the Chief Executive Officer of the Pension Fund that any redeployments and the consequent revision of the staffing and other resources for the Geneva office should be pursued over the next two bienniums, with adjustments along the way in the light of experience (ibid., para. 47).

16. As regards computer systems and operations, the Advisory Committee was informed that the Pension Fund was satisfied with the services currently provided by the International Computing Centre at Geneva (ibid., paras. 51-58). The Pension Board and the Standing Committee, however, had requested a study of options, including remaining with the Computing Centre, self-reliance, using in-house client/server technology, and the contracting out of services. The Advisory Committee is of the view that as long as the Centre is offering services that satisfy the Fund's needs, a change should be made only after a careful examination of factors, such as the short- and long-term capacity of the Centre, the short- and long-term needs of the Fund and the related costs of the various options that are considered.

17. The issue of the Pension Fund's office space in New York and Geneva is addressed in paragraphs 59-61 of the report of the Standing Committee. Under the revised United Nations Pension Fund cost-sharing arrangements, applied as from 1 January 1999, two thirds of the costs of space occupied by the secretariat of the Fund and the full cost of the space occupied by the Investment Management Service are charged to the Fund. As indicated in paragraph 59 and annex V to the report, during the biennium 1998-1999 the Fund occupied 24,170 square feet in New York (17,694 sq. feet for its secretariat and 6,476 sq. feet for the Investment Management Service) and 153 square metres[3] in the United Nations Office at Geneva, for a total cost of $530,600. During the biennium 2000-2001, the Fund would occupy 26,061 square feet in New York (18,850 sq. feet for its secretariat and 7,211 sq. feet for the Investment Management Service) and 382.3 square metres at Geneva, at a total cost of $1,402,400.

18. The Advisory Committee notes that the intention is to maintain the Pension Fund's administrative and investment operations together in New York and to provide additional space on the fifth and sixth floors of the Secretariat building, as soon as arrangements are made to relocate the current occupants (ibid., para. 61). In view of the possibility of using new technology, the need to have the Fund's offices contiguous should be re-examined. In the opinion of the Committee, the increase in rental charges should be monitored and other options explored, with a view to determining the best long-term solution. The Committee also requests that in future presentations of office space requirements, comparable space measurement units be used, according to standards used in the United Nations.

19. The Advisory Committee also notes that the Chief Executive Officer of the Pension Fund intends to pursue further the matter of delegation of personnel and procurement decisions (*ibid.*, paras. 62-64). As the Fund does not have its own machinery for personnel and procurement actions, it utilizes the machinery established for those purposes by the United Nations, while safeguarding its separate and independent status, as an inter-agency entity, with its own Chief Executive Officer. The Advisory Committee was informed that the Fund had pursued and obtained approval of an arrangement under which the decisions on procurement matters would be taken by the Chief Executive Officer of the Fund, after considering the views and recommendations of the Procurement Division or the Committee on Contracts, rather than having those recommendations sent for decision to the official to whom the Secretary-General, as chief administrative officer of the United Nations, has delegated such authority in respect of United Nations procurement. In the area of personnel decisions, arrangements similar to those followed in respect of procurement actions are being sought by the Chief Executive Officer of the Fund, including explicit inclusion in policies and procedures of the Office of Human Resources Management of the stipulation that recommendations of the United Nations appointment and promotion bodies with respect to personnel in the Fund secretariat be addressed to the Chief Executive Officer of the Fund and that the authority of the Fund to take decisions regarding the hiring of consultants and short-term staff, in accordance with the established procedures of the United Nations, be recognized.

20. In this connection, it is the view of the Advisory Committee that delegation of authority should be based on the need to recognize the special status of the Chief Executive Officer of the Pension Fund vis-à-vis the Secretariat of the United Nations and the secretariats of member organizations of the Fund.

21. The question of possible outsourcing to the secretariat of the Pension Fund of local pension secretariat services now being provided by member organizations other than the United Nations is commented upon in paragraphs 65 and 66 of the report. The Advisory Committee cautions against hasty decisions regarding this subject since the advantages and disadvantages of changing the current arrangements have yet to be examined carefully and in depth by the secretariats and legislative bodies of member organizations of the Fund.

22. Audit costs are discussed in paragraphs 10, 77 (*g*) and 164 to 166 of the report. Under the revised United Nations Pension Fund cost-sharing arrangements, approved by the General Assembly in its resolution 53/210, for the biennium 2000-2001, one third of the audit costs that concern the administrative area are to be borne by the United Nations and the balance by the Fund. Total audit costs (internal and external) show a 28.6 per cent increase from $620,500, appropriated for the biennium 1998-1999, to $797,800, estimated for the biennium 2000-2001.

23. The Advisory Committee recalls that, under the revised cost-sharing formula between the United Nations and the Pension Fund, the expected additional costs to be borne by the Fund amounted to $730,800 for the biennium 1998-1999.[4] The Committee requests that, in future budget submissions, the additional costs to be borne by the Fund as a result of the application of the one-third/two-thirds formula (whereby one third of the costs are borne by the United Nations and two thirds by the Fund) be clearly indicated for the three major components of administrative expenses of the Fund, namely administrative costs, investment costs and audit costs.

24. Based on the comments and observations set out above, the Advisory Committee recommends that the appropriation for administrative expenses of the Pension Fund be approved in the amounts of $57,514,000 for the biennium 1998-1999 and $62,301,100 for the biennium 2000-2001, taking into account a reduction of $23,800 for the exclusion of the reclassification of the post of database administrator to the P-5 level for the reasons given in paragraph 13 above. Furthermore, the Advisory Committee has no objection to the proposal by the Standing Committee to supplement the voluntary contributions to the Emergency Fund by an amount not exceeding $200,000 for the biennium 2000-2001 (ibid., paras. 167-170).

Notes

[1] See *Official Records of the General Assembly, Fiftieth Session, Supplement No. 7A* (A/50/7/Add.1-16), document A/50/7/Add.1, para. 20.

[2] See A/52/519, paras. 21-23.

[3] One square metre equals 10.76 square feet.

[4] A/53/511, para. 20.

Annex I

Annual statistics (1996-1998) and summary of operations (1971-1998) of the United Nations Joint Staff Pension Fund

Table 1
Annual statistics for United Nations Joint Staff Pension Fund operations (1996-1998)

	1996	*1997*	*1998*
	(millions of United States dollars)		
A. Market value of assets	16 913.4	18 526.3	21 795.9
B. Principal of the Fund	13 312.1	14 002.8	14 690.8
C. Contribution income	800.7	787.5	801.8
D. Benefit costs	915.0	883.7	928.0
E. C minus D	(114.3)	(96.2)	(126.2)
F. Number of participants	67 997	67 740	67 971
G. Number of periodic benefits	41 433	43 149	44 633
H. Ratio F:G	1.6:1	1.6:1	1.5:1
I. Staffing (number)[a]	136	136	138
J. Administrative expenses (including investment costs)	21 293.6	23 147.2	27 807.6

[a] Includes staff of the Investment Management Service.

Table 2
Summary of the operation of the United Nations Joint Staff Pension Fund: 1971 through 1998

Year ending	Assets in United States dollars – Principal of the Fund	Number of participants	Cumulative number of periodic benefits	Cumulative cost of periodic benefits (in United States dollars)	Annual withdrawal settlements[a]		
					A: in United States dollars	B: Total	Total posts[b]
Sept. 1971	622 011 280	34 860	5 303	14 655 927	5 485 473	2 746	39
Sept. 1972	712 062 485	36 768	5 894	19 010 212	6 184 851	2 683	46
Dec. 1973[c]	829 475 720	38 089	7 155	35 038 609	10 595 192	4 117	47
Dec. 1974	923 444 687	39 451	8 155	35 004 202	9 277 967	3 369	49
Dec. 1975	1 089 776 538	42 592	9 070	45 395 136	8 375 721	2 762	58
Dec. 1976	1 256 118 846	42 917	10 515	59 663 179	12 660 692	3 797	68
Dec. 1977	1 417 568 515	43 176	12 067	81 075 016	13 064 798	3 450	73
Dec. 1978	1 624 475 731	33 983	13 276	100 368 107	11 628 131	2 747	76
Dec. 1979	1 885 906 941	46 904	14 486	117 674 480	13 472 340	3 090	80
Dec. 1980	2 171 470 086	49 098	15 937	160 843 568	16 327 928	3 359	85
Dec. 1981	2 479 987 598	51 048	17 357	186 101 336	17 910 323	3 254	93
Dec. 1982	2 790 412 267	50 966	19 178	228 181 202	28 723 251	4 029	93
Dec. 1983	3 129 628 492	52 432	20 899	252 591 270	26 765 762	3 565	94
Dec. 1984	3 527 190 756	53 204	22 378	290 221 921	30 091 393	3 577	95
Dec. 1985	4 168 672 825	54 013	23 965	319 624 061	28 668 212	3 365	100
Dec. 1986	5 092 134 823	54 289	25 434	345 500 824	31 075 697	3 414	101
Dec. 1987	6 123 937 518	53 967	26 920	367 682 618	33 637 140	3 522	101
Dec. 1988	6 877 603 614	54 006	28 362	390 556 680	35 883 073	3 638	107
Dec. 1989	7 626 808 601	56 222	29 566	404 586 091	31 944 228	3 009	107
Dec. 1990	8 529 311 600	58 263	30 901	474 157 321	35 260 509	3 730	115
Dec. 1991	9 349 146 243	60 183	32 294	515 588 120	37 025 389	3 467	115
Dec. 1992	10 380 471 469	61 968	33 923	579 816 190	36 351 949	3 635	122
Dec. 1993	11 250 266 475	63 329	35 435	606 559 593	40 605 148	4 165	128
Dec. 1994	11 927 849 903	63 813	37 156	680 475 301	49 313 730	4 419	128
Dec. 1995	12 658 414 333	68 708	38 914	745 980 412	40 555 022	4 055	128
Dec. 1996	13 312 103 653	67 997	41 433	845 935 032	69 138 165	5 622	136
Dec. 1997	14 063 184 748	67 740	43 149	826 055 364	57 662 126	5 900	136
Dec. 1998	14 732 146 814	67 971	44 633	870 512 706	57 467 751	5 674	138

[a] Includes transfers under agreements.
[b] Breakdown of posts, including posts in the Investment Management Section, is provided in table 3.
[c] Long year due to change in fiscal year, effective 1 January 1974.

Table 3
Summary of the operation of the United Nations Joint Staff Pension Fund: 1971 through 1998

	Established posts				*Temporary posts*			
	Administrative		*Investments*		*Administrative*			
Year ending	*Professional*	*General Service*	*Professional*	*General Service*	*Professional*	*General Service*	*Total established posts*	*Total posts*
Sept. 1971	10	23	0	0	1	5	33	39
Dec. 1972	10	23	3	4	1	5	40	46
Dec. 1973	11	23	3	4	1	5	41	47
Dec. 1974	11	25	3	4	1	5	43	49
Dec. 1975	15	28	3	5	0	7	51	58
Dec. 1976	13	29	5	4	5	12	51	68
Dec. 1977	16	31	5	4	4	13	56	73
Dec. 1978	18	32	5	4	4	13	59	76
Dec. 1979	22	42	5	4	2	5	73	80
Dec. 1980	23	44	5	4	2	7	76	85
Dec. 1981	25	54	5	4	1	4	88	93
Dec. 1982	25	54	5	4	1	4	88	93
Dec. 1983	25	54	5	5	1	4	89	94
Dec. 1984	26	58	5	6	0	0	95	95
Dec. 1985	26	61	6	7	0	0	100	100
Dec. 1986	27	60	6	8	0	0	101	101
Dec. 1987	27	60	6	8	0	0	101	101
Dec. 1988	28	59	7	10	1	2	104	107
Dec. 1989	28	59	7	10	1	2	104	107
Dec. 1990	30	62	9	14	0	0	115	115
Dec. 1991	30	62	9	14	0	0	115	115
Dec. 1992	32	66	9	15	0	0	122	122
Dec. 1993	33	70	9	15	0	1	127	128
Dec. 1994	33	70	9	15	0	1	127	128
Dec. 1995	33	70	9	15	0	1	127	128
Dec. 1996	34	72	12	18	0	0	136	136
Dec. 1997	34	72	12	18	0	0	136	136
Dec. 1998	34	72	12	20	0	0	138	138

Annex II

Post requirements proposed by the Chief Executive Officer of the United Nations Joint Staff Pension Fund and post requirements recommended by the Standing Committee of the United Nations Joint Staff Pension Board

Table 1

Post requirements under administrative costs proposed by the Chief Executive Officer of the United Nations Joint Staff Pension Fund

	Established posts		*Temporary assistance*		*Total*	
	1998-1999	*2000-2001*	*1998-1999*	*2000-2001*	*1998-1999*	*2000-2001*
Professional category and above						
Equivalent to ASG	1	1	0	0	1	1
D-1	2	3	0	0	2	3
P-5	5	6	0	0	5	6
P-4/3	25	27	2	0	27	27
P-2/1	1	1	0	0	1	1
Subtotal	**34**	**38**	**2**	**0**	**36**	**38**
General Service category						
Principal level	4	6	0	0	4	6
Other level	68	75	5	0	73	75
Subtotal	**72**	**81**	**5**	**0**	**77**	**81**
Grand total	**106**	**119**	**7**	**0**	**113**	**119**

Table 2

Post requirements under administrative costs as recommended by the Standing Committee of the United Nations Joint Staff Pension Board

	Established posts		*Temporary assistance*		*Total*	
	1998-1999	*2000-2001*	*1998-1999*	*2000-2001*	*1998-1999*	*2000-2001*
Professional category and above						
Equivalent to ASG	1	1	0	0	1	1
D-1	2	3	0	0	2	3
P-5	5	6	0	0	5	6
P-4/3	25	25	2	1	27	26
P-2/1	1	1	0	0	1	1
Subtotal	**34**	**36**	**2**	**1**	**36**	**37**
General Service category						
Principal level	4	5	0	1	4	6
Other level	68	72	5	2	73	74
Subtotal	**72**	**77**	**5**	**3**	**77**	**80**
Grand total	**106**	**113**	**7**	**4**	**113**	**117**

Document A/54/7/Add.2

Third report

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 1999

[Original: English]
[28 October 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive session of 1999 (A/54/443). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee notes from paragraphs 6, 8 and 12 of the report that estimated additional requirements for the biennium 2000-2001 arising from the resolutions and decisions adopted by the Economic and Social Council amount to $440,300. That provision would represent a charge against the contingency fund and a related additional appropriation of $86,900 under section 11A, Trade and development, and $353,400 under section 22, Human rights, of the proposed programme budget for the biennium 2000-2001. As indicated in paragraph 4 of the report, no additional conference-servicing resources would be required, as provision has been made in the proposed programme budget, not only for meetings already programmed at the time of the preparation of the budget, but also for meetings that may be authorized subsequently, provided that the pattern of meetings is consistent with past years.

3. The Advisory Committee notes that the report does not give full-cost estimates of the additional requirements resulting from resolutions and decisions adopted by the Economic and Social Council, that is, it does not indicate the costs of additional activities that would be financed from within the provisions of the proposed programme budget for the biennium 2000-2001. In that connection, the Committee requested and was provided with additional information on statements, both written and oral, submitted in 1999 to the Council and its subsidiary bodies, including the regional commissions, of programme budget implications of draft resolutions and decisions. The Committee requests that future reports on the subject contain full-cost estimates, including both conference and non-conference costs, of additional requirements.

4. The Advisory Committee was informed that the Secretary-General had submitted a statement of programme budget implications (E/1999/L.48) in connection with draft resolution II contained in his report on the work of the Committee of Experts on the Transport of Dangerous Goods (E/1999/43). The Economic and Social Council has not yet taken action on the report of the Committee of Experts. Should the Council approve the draft resolution, an addendum to the report of the Secretary-General on revised estimates resulting from resolutions and decisions of the Council would be issued.

5. Upon request, the Advisory Committee was provided with a list of resolutions and decisions adopted by the Economic and Social Council containing the phrase "within existing resources". In that connection, the Committee recalls paragraphs 66 and 67 of its first report on the proposed programme budget for the biennium 2000-2001,[1] in which it noted with concern the growing practice of some intergovernmental bodies of attempting to determine the method of financing mandates to be approved in the context of substantive resolutions, in contravention of the provisions of General Assembly resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987. In its report, the Committee also noted the use of the phrase "within existing resources" in a number of resolutions and decisions of the Assembly, and emphasized the responsibility of the Secretariat to inform the Assembly thoroughly and accurately about whether there were enough resources to implement a new activity.

6. The Advisory Committee was also provided with additional information on the interpretation by the Secretariat of the provisions of General Assembly resolutions 52/220 of 22 December 1997 and 53/214 of 18 December 1998 concerning perennial activities (see annex).

7. The Advisory Committee recommends that, at the present stage, the Fifth Committee take note of the estimate of $440,300, on the understanding that such appropriations as may be necessary will be requested by the Secretary-General in the context of a consolidated statement of programme budget implications and revised estimates to be submitted to the General Assembly.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7).

Annex

Additional information on the interpretation by the Secretariat of the provisions of General Assembly resolutions 52/220 and 53/214 concerning perennial activities, provided by the Director of the Programme Planning and Budget Division

I wish to confirm the statement contained in my memorandum of 14 October 1999 to you on the procedure followed for the application of paragraphs 15, 16 and 17 of General Assembly resolution 53/214 of 18 December 1998. That statement is reproduced below for the ease of reference:

> "The report of the Secretary-General on the relationship between the treatment of perennial activities in the programme budget and the use of the contingency fund (A/C.5/52/42) was issued on 9 March 1998. The related report of the Advisory Committee on Administrative and Budgetary Questions is contained in document A/53/7/Add.9 of 8 December 1998. The General Assembly decided to defer consideration of the two reports.
>
> "Resources for country-specific special rapporteurs were included in the programme budget for the biennium 1998-1999 in accordance with the established and agreed procedure on perennial activities, which was established, in consultation with the Advisory Committee, in the biennium 1986-1987 and subsequently formalized by the General Assembly in its resolution 41/213 of 19 December 1986. According to that procedure, provisions for activities of a perennial nature are included in the proposed budget on the basis of past experience. Further, pursuant to that procedure, the mandates of country rapporteurs are established first by the Commission on Human Rights and subsequently confirmed/endorsed by the Economic and Social Council. One of the main reasons for adopting the procedure was to ensure implementation of the decisions of the Commission on Human Rights without too much delay and to avoid recourse to multiple individual statements of programme budget implications and to the procedure for unforeseen and extraordinary expenditures.
>
> "In its resolutions 52/220 of 22 December 1997 and 53/214, the General Assembly called on the Secretary-General to ensure that no funding was provided to activities that had no specific mandates approved by the Assembly. The Secretariat has not provided funding to such activities. It has provided funding to activities mandated by the Commission on Human Rights and endorsed by the Economic and Social Council, in accordance with the procedure approved by Member States in Assembly resolution 41/213."

The chronology for the preparation of the programme budget for the biennium 1998-1999 in relation to the renewal of the mandates of the country-specific special rapporteurs is as follows:

(*a*) The budget fascicle of section 22, Human rights, containing resources for the country-specific special rapporteurs, was finalized on 13 May 1997;

(*b*) The mandates for the special rapporteurs were established or renewed by the Commission on Human Rights at its fifty-third session, from 10 March to 18 April 1997;

(*c*) Those decisions of the Commission were subsequently endorsed by the Economic and Social Council at its substantive session of 1997 (June-July 1997);

(*d*) The General Assembly took note in its decision 52/429 of 12 December 1997 of the relevant chapters of the report of the Economic and Social Council considered by the Third Committee.

The financing of the activities of the country-specific rapporteurs is not contingent upon the approval of the mandates of those rapporteurs by the General Assembly. Those activities are fully mandated by a major organ other than the Assembly, namely, the Economic and Social Council and, as such, were never considered to be the subject of paragraphs 74 and 79 of Assembly resolution 52/220.

Document A/54/7/Add.3

Fourth report

Implementation by the United Nations Conference on Trade and Development of the activities financed from the unspent balance from the regular budget for the biennium 1996-1997 and how the accomplishments have contributed to strengthening the capacity of the Conference, in particular, in priority areas

Analysis of savings resulting from the improved overall cost-effectiveness achieved pursuant to the ninth session of the Conference, including the restructuring of the intergovernmental machinery and the reform of the secretariat

[Original: English]
[2 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General of 26 October 1999 (A/54/501). During its consideration of the report, representatives of the Secretary-General provided additional information.

2. The report was submitted pursuant to paragraphs 4 and 7 of General Assembly resolution 53/3 of 12 October 1998, in which the Assembly requested the Secretary-General to report to it at its fifty-fourth session on implementation by the United Nations Conference on Trade and Development (UNCTAD) of the activities financed from the unspent balance of $5,526,600 from the regular budget for the biennium 1996-1997, which had been retained pursuant to Assembly decision 52/462 of 31 March 1998, and on savings resulting from the improved overall cost-effectiveness achieved pursuant to the ninth session of UNCTAD.

3. As indicated in paragraph 5 of the report, of the total authorized allocated amount of $5,5526,600 carried over to the biennium 1998-1999, expenditures of $3,988,800 had been incurred as at 30 September 1999. Upon request, the Advisory Committee was provided with additional information detailing activities and expenditures as of 15 November 1999, which totalled $4,403,135. During its meeting with the representatives of the Secretary-General, the Committee was informed that further funds would be committed during the period from 16 November to 31 December 1999, leaving an unspent balance of approximately $1 million in special account set up to handle these funds. However, no additional expert meetings would be held before 31 December 1999.

4. The Advisory Committee takes note of the analysis of the savings achieved pursuant to the ninth session of UNCTAD and the statement in paragraph 15 of the report that changes introduced at that session resulted in a reduction of 526 meeting units during the biennium 1998-1999 as compared to the number of meeting units required during the biennium 1994-1995, and that, assuming an average cost of approximately $3,900 per meeting unit, the savings due to reductions in conference-servicing requirements would amount to $2 million.

5. The annex to the report contains information on accomplishments and expenditures for activities financed from the unspent balance from the regular budget for the biennium 1996-1997. The Advisory Committee commends the Secretariat for the detailed information provided in the annex.

6. As indicated in paragraph 17 and 18 of the annex to the report, the original allocation of $1,088,000 for expert meetings was based on the assumption that there would be 16 expert meetings during the 18-month period from July 1998 to December 1999. However, as a result of the delay between the submission of proposals for the use of the resources in a report of the Secretary-General of 13 May 1998[1] and the endorsement by the General Assembly of those proposals in its resolution 53/3, of the 16 expert meetings originally envisaged, 7 were held. Thus, some of the resources allocated to enhance the expertise of the deliberations of the expert meetings of the commissions of the Trade and Development Board remain unspent.

7. With regard to the future disposition of the special account and the unencumbered balance, the Advisory Committee recommends that, on an exceptional basis, the special account be maintained and the unspent balance be retained until all the activities and programmes outlined in the report of the Secretary-General1 and approved by the General Assembly in its resolution 53/3 are completed. The Committee cautions that this should not set a precedent. In this connection, the Committee recalls paragraph 3 of its report of 28 September 1998,[2] in which it stated that, with the decision to retain the unspent balance of $5,526,600, the Assembly implicitly waived financial regulations 4.2 to 4.4 according to which appropriations should be available only for the biennium to which they relate. The Committee also expressed concern at that time that the decision to fund activities after the biennium to which the funds related has ended would create a precedent.

Notes

[1] A/52/898 and Corr.1.

[2] See *Official Records of the General Assembly, Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.2.

Document A/54/7/Add.4

Fifth report

Integrated Management Information System project

[Original: English]
[2 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the eleventh progress report of the Secretary-General on the Integrated Management Information System (IMIS) (A/54/474). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The eleventh progress report on the Integrated Management Information System project contains an overall description of the status of the activities related to IMIS developments and implementation, a description of the programme of work for 2000 and a summary of the budgetary status. Annexes to the report (ibid.) include a detailed description of the activities undertaken since the tenth progress report (annex I), an update on the actions taken in response to the recommendations contained in the report of the Board of Auditors of 10 December 1997 on IMIS (annex II) and usage statistics of the system for the period from September 1998 to August 1999 (annex III). The Advisory Committee requested and received an update of the actions taken in response to the recommendations contained in the study on IMIS by independent experts of July 1998[1] (see annex I to the present report). The Committee was also provided with a note on the various information systems (including IMIS) being used within the United Nations system for financial and administrative applications.

3. As indicated in the report (ibid., para. 3 and annex I), during the reporting period, IMIS activities included the standardization of the system worldwide, the completion of enhancements to the system to facilitate its implementation at offices away from Headquarters, the implementation of new releases by both offices away from Headquarters and other organizations and the completion of the set-up of the IMIS maintenance team. The new version of Release 2 (staff entitlements) was implemented in Nairobi, two new versions of Release 3 (financial and support services applications) were implemented in New York, Release 3 was implemented in Vienna and Beirut and the time and attendance component of Release 4 (payroll, time and attendance, insurance and rental subsidy) was implemented at Headquarters. Progress has been achieved in the development of Release 4 and Release 5 (operational applications). Currently, the system has been installed at 11 different sites in eight locations around the world (see A/54/474, annex I, table 2).

4. In the view of the Advisory Committee, the report should have been prepared in a more succinct manner, avoiding many repetitions by cross-referencing descriptions in the main part of the report with information in the annexes and in previous progress reports.

5. The Advisory Committee notes that the IMIS development effort will come to an end by the end of 1999 (see A/54/474, para. 6). The maintenance of the system has been taken over by the IMIS team, while the main contractor will continue to

work on the remaining parts of the system under development (ibid., para. 21). It is foreseen that this will allow the maintenance team to improve user interaction, in particular in the human resources area, and to develop global remote access through the Internet (ibid., para. 6). Upon request, the Committee was provided with detailed information on the streamlining of procedures for recruitment and administration of personnel in the Office of Human Resources Management introduced with the IMIS implementation.

6. As indicated in the summary of the report, the next steps for the completion of the system will include the implementation of Release 3 at all offices away from Headquarters by November 2000 and the implementation of Releases 4 and 5 in New York by the first quarter of 2000 and at all major duty stations by December 2000. The Advisory Committee notes that the completion dates had been extended (ibid., paras. 17 and 18). The completion date of Release 3 had been previously scheduled for August 2000, and the implementation date of the payroll component at Headquarters had been scheduled for September 1999. The scope and testing of Release 4 has been expanded, and the implementation date of the payroll component is now scheduled for the first quarter of 2000. Owing to the advanced stage reached by the testing process, that date can now be considered firm, according to the report (ibid., para. 15).

7. With respect to information technology training, the Advisory Committee notes (ibid., annex I, para. 68) that for the biennium 2000-2001 the responsibilities for the coordination of training for IMIS, which were previously carried out by the IMIS project team, will be assumed by the Office of Human Resources Management.[2] As indicated in the report (A/54/474, para. 22), the IMIS training module and user procedures are being updated and made available to the staff through the Intranet.

8. The Advisory Committee recalls it had indicated that, after installation of IMIS at offices away from Headquarters, priority should be given to the development of remote access and to the needs of peacekeeping operations as well as of the Tribunals.[3] The Committee notes that progress was made for the remote accessing of IMIS, but that the implementation of IMIS in the peacekeeping missions, which was mandated by the General Assembly in its resolution 53/237 of 8 June 1999, would require technical solutions for the high volume of transactions, such as those required by peacekeeping missions, which are not yet in place (ibid., paras. 25 and 26 and annex I, para. 52). The Committee was informed that the implementation of IMIS in the peacekeeping operations was planned, in principle, to proceed after completion of the IMIS implementation at all establishing offices (regional commissions, United Nations Offices at Nairobi, Geneva and Vienna). An implementation plan will need to be developed for the peacekeeping operations, which could be incorporated into the twelfth progress report on the IMIS project.

9. The Advisory Committee recalls that, in recommendations 3 and 10 made by the independent experts in their report on IMIS of July 1998,[4] the experts pointed to the need to fund provisions for a sustainable IMIS operation and coordination capability thereafter, indicating that Member States should approve funding for expenditures for the development of a remote connectivity capability in IMIS to support peacekeeping operations, the Tribunals and the operations of other interested agencies. Comments of the Administration indicate that provisions for continuing sustained support for IMIS operations at all offices away from

Headquarters, as well as the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management have been included in the proposed programme budget for the biennium 2000-2001, and that progress has been slower than expected owing to the need to devote the existing resources to other priority activities, both in the Department of Management and in the Department of Peacekeeping Operations. The Committee regrets the lack of progress in the implementation of IMIS in the peacekeeping operations and the Tribunals.

10. In this connection, the Advisory Committee was informed that serious constraints have also been encountered in obtaining the dedicated services of requisite personnel from the Department of Peacekeeping Operations owing to the current rapid expansion of United Nations peacekeeping activities, as well as in retaining highly skilled technical IMIS staff and finding qualified personnel in the field of information technology under the current United Nations salary scales. The Committee requested and was provided with a note on the status of the issue of special occupational rates for United Nations staff in the information technology area (see annex II to the present report). The General Assembly may, on the basis of the note, wish to take such action as it deems appropriate.

11. The Advisory Committee recommends that vigorous action be taken to implement General Assembly resolution 53/237, and requests that the Secretary-General provide information on the development of the system for field missions and for the Tribunals in his next progress report on IMIS, including resources required to overcome technical and personnel constraints.

12. The Advisory Committee requests that the Secretary-General proceed expeditiously with the implementation of IMIS in the peacekeeping operations and the Tribunals. The Committee recommends that a pilot project be established as soon as possible in a peacekeeping mission and that the costs of implementing the project be included in the budget of the mission. The Committee trusts that users in the Department of Peacekeeping Operations will participate in consultations and decisions on the application of IMIS to the peacekeeping operations. The Committee will comment further on the implementation of IMIS in the Tribunals in the context of its reports on the proposed budgets of the Tribunals for 2000.

13. The Advisory Committee recommends also that the General Assembly take note of the eleventh progress report of the Secretary-General on IMIS (A/54/474), of the revised completion date of the project and of the activities planned for the next 12 months. In addition, the Committee recommends further that, after the full implementation of IMIS, the Secretary-General submit a comprehensive final report on the implementation of the system, including a full analysis of lessons learned and experience gained, and addressing the issue of a long-term strategy for further development of the system.

14. In this connection, the Advisory Committee recalls that, in its first report on the proposed programme budget for the biennium 2000-2001, it requested that the long-sought information strategy be formulated as a matter of urgency and presented to the General Assembly before the end of its fifty-fourth session.[5] The Committee has been concerned with the need to develop and implement a comprehensive information strategy which, as acknowledged by the Secretariat, has not yet been done. The Committee has also expressed its concern about the gap between the stated intention of the Secretary-General to create an "electronic United Nations"

and the relatively low level of financial and human resources allocated to achieve that goal.[6]

15. The Advisory Committee notes from the additional information provided on various information systems being used within the United Nations system for financial and administrative applications, that it appears that each agency continues to develop its own system, with apparently very little coordination, leading to unnecessary expenditures.[7] In the case of some funds and programmes of the United Nations (for example, the United Nations Children's Fund), the Committee notes that decisions to use commercial software packages would entail the duplication of the payroll service at Headquarters, and amounts foreseen for the implementation of financial modules would be higher than those needed to implement IMIS. The Committee intends to revert to those issues in the context of its review of the proposed budgets of funds and programmes for the biennium 2002-2003.

Notes

[1] A/53/662 and Corr.1.

[2] See *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), vol. III, paras. 27C.59 (b) and 27C.61 (b).

[3] See *Official Records of the General Assembly, Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.7, para. 5.

[4] A/53/662 and Corr.1, paras. 277 and 294.

[5] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7), para. 92.

[6] Ibid., paras. 80-92.

[7] Ibid., *Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7, paras. 71-73.

Annex I

Update on the actions taken in response to the recommendations contained in the study by independent experts of July 1998 on the Integrated Management Information System

Recommendations (with reference to A 53 662 and Corr.1)	*Comments (with reference to A 54 474)*
1. The offices away from Headquarters should make the existing legacy payroll systems year 2000 compliant as a contingency measure in the event that the IMIS payroll system is not implemented in 1999 (para. 275).	All legacy payroll systems were upgraded to be year 2000 compliant in view of the fact that they will have to be used in the next few years for historical purposes (see para. 18 and annex I, para. 41).
2. An implementation project manager should be appointed immediately to focus on the detailed planning, scheduling, coordination and monitoring of IMIS implementation activities at offices away from Headquarters. This person will be required to travel frequently to the offices away from Headquarters to manage the implementation (para. 276).	An implementation project manager took up his functions, effective 1 January 1999. In close cooperation with the Office of Programme Planning, Budget and Accounts, the Office of Human Resources Management, the Coordinator of offices away from Headquarters and offices away from Headquarters, he has already led the successful implementation of Release 3 in Vienna and Beirut. Large teams of staff travel from Headquarters to offices away from Headquarters for preparation, implementation and post-implementation activities. The implementation project manager travels at least twice to each duty station. The two other members of the Headquarters implementation team reported during the first quarter of 1999 (see paras. 17 and 27 and annex I, para. 40).
3. The offices away from Headquarters, in consultation with the implementation project manager and the IMIS project team, must prepare a detailed workplan with scheduled resource and funding requirements for the completion of finance and payroll implementation in 1999, and for a sustainable IMIS operational and coordination capability thereafter (para. 277).	All offices have completed their plans or are fine-tuning them based on the experience gained with the implementation in Vienna and Geneva. So far about $1.5 million has been made available to all offices for implementation activities. The proposed 2000-2001 budget contains provisions for continuing sustained support for IMIS operations at all offices away from Headquarters as well as in the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management (see annex II, comments to recommendation (i)).
4. Accounting and systems implementation resources must be identified and recruited with some urgency and trained by the involved substantive offices and	In addition to the implementation manager and the other two members of the implementation team, new staff or contractors conversant with

Recommendations (with reference to A/53/662 and Corr.1)	*Comments (with reference to A/54/474)*
the IMIS project team to work on implementation at offices away from Headquarters (para. 278).	systems have been recruited at Headquarters and by some offices away from Headquarters. Those staff work on implementation-related or ongoing activities to allow regular staff to devote time and effort to implementation-related activities (on average, 16 staff members travel to offices away from Headquarters for various periods of time for each implementation). Staff from offices away from Headquarters are trained in New York or attend implementations at other offices for training purposes (see para. 12 and annex I, para. 40).
5. The transitional maintenance strategy for placing the central IMIS maintenance unit within the IMIS project team should be adopted until an inter-agency IMIS governance framework is in place (para. 282).	An agreement in principle has been reached on the creation of a common service, and all maintenance-related activities are performed and coordinated by the IMIS team (see paras. 21 and 23 and annex I, sect. K).
6. The IMIS project should be funded jointly to undertake the transitional maintenance strategy plus any maintenance requirements funded by the United Nations Development Programme, the United Nations Children's Fund or the International Labour Organization, including a level of up to four contractors who may be required to supplement the IMIS team in the light of the termination of the activities of the prime contractor (para. 283).	The agreement in principle referred to in the eleventh progress report foresees contributions in staff or funds to a jointly financed maintenance team. Two contractors were hired to assist in the transition phase and spent several months at offices away from Headquarters to assist in preparations for implementation activities and to prepare implementation plans to be used by all offices. Their assignment has been completed (see paras. 21 and 23 and annex I, para. 40 and sect. K).
7. Each United Nations office and the offices away from Headquarters should restructure to meet their own substantive IMIS operational maintenance and coordination responsibilities, as detailed in the study of the independent experts (para. 284).	The request for additional resources for the Office of Programme Planning, Budget and Accounts and the Office of Human Resources Management for the next biennium in the context of the proposed programme budget for the biennium 2000-2001 aims at establishing a better support structure for users (help desk, reporting, training). Similarly, the resources requested for offices away from Headquarters aim at ensuring continuous support for the operations. Each implementation is preceded by a detailed workflow analysis to determine the changes in processes and, if necessary, in structure that may be required (see annex I, para. 40, and annex II, comments to recommendation (i)).

Recommendations (with reference to A/53/662 and Corr.1)	*Comments (with reference to A/54/474)*
8. The Administration should work with other participating organizations to establish and fund an inter-agency governance framework for IMIS (para. 287).	Please refer to the comments under recommendation 5 above.
9. The Administration should proceed with some urgency to provide a production data-communications infrastructure for IMIS (para. 290).	Currently the network is being upgraded with new technology to facilitate the transfer of data and voice traffic over the United Nations network. A request for proposals is being issued for the upgrading of the existing leased lines and for the possible addition of others. Subject to confirmation of the agreement by the Ethiopian authorities to the installation of an Earth station, a new antenna will be procured to establish direct connectivity between the Economic Commission for Africa and Headquarters.
10. The Member States should approve funding of expenditures for the development of a remote connectivity capability in IMIS to support peacekeeping operations, the Tribunals and the operations of other interested agencies (para. 294).	The implementation progress has been slower than expected owing to the need to devote existing resources to other priority activities, both in the Department of Management and in the Department of Peacekeeping Operations (see para. 25 and annex I, paras. 52-54). Concerning the Tribunals, connectivity between The Hague and Geneva through a land line could be easily established for the International Tribunal for the Former Yugoslavia, similar to what is being done with Bonn. The implementation of the system at the International Criminal Tribunal for Rwanda would require a feasibility study and a major training effort. The only alternative may be remote connectivity to a location such as Nairobi.
11. The substantive IMIS status and plans, as articulated by each office of the United Nations Secretariat and other IMIS user organizations, should be presented in the next IMIS progress report to the General Assembly, and thereafter if and when requested by the General Assembly (para. 298).	Throughout the eleventh progress report, details are provided on the status of the project and on the plans as far as both the United Nations Secretariat and the other user organizations are concerned.

[a] A/53/662 and Corr.1.

Annex II

Note on the issue of special occupational rates for United Nations staff in the area of information technology

1. The subject of special occupational rates has been under discussion in both the General Assembly and the International Civil Service Commission (ICSC) since 1992, as well as in the Administrative Committee on Coordination machinery. At the level of the Consultative Committee on Administrative Questions, divergent views have been expressed by member organizations: some of the organizations of the common system were in favour of the introduction of the special occupational rates while others continue to indicate that, prior to recommending special occupational rates, it is imperative that the Noblemaire principle be upheld and that salaries of staff in the Professional and higher categories be based on those of the highest-paid national civil service.

2. For the first time, at its thirty-sixth session in 1992, ICSC considered a study on the overall scheme of the special occupational rates. At that time, ICSC did not make any specific proposals on the matter. It did consider, however, that a detailed study of the overall scheme of special occupational rates should be undertaken by its secretariat with the active cooperation of the organizations of the United Nations system. It decided to report to the General Assembly that, on the basis of the information available, the special occupational rates could be introduced in the common system as a means of addressing recruitment and retention problems for some specialized technical fields.[a] The General Assembly, in its resolution 47/216 of 23 December 1992, endorsed that approach in principle and requested that further recommendations be submitted on the subject.

3. The issue was again considered by ICSC at its thirty-seventh[b] and thirty-eighth[c] sessions. Alternative special occupational rate schemes for application within the common system were reviewed. After discussions on the matter, ICSC concluded that it would not be appropriate to recommend a system of special occupational rates to the General Assembly, in view of considerations that such a practice would be detrimental to the common system. It has indicated that the organizations of the system favouring special occupational rates were, in fact, interested in special agency-wide rates, an approach the Commission had rejected before as unjustified in the common system. The Commission has determined that it should keep abreast of further developments on this issue before recommending a system of special occupational rates to the Assembly.

4. In 1995, the issue was again raised in the context of the comprehensive review of the application of the Noblemaire principle.[d] A number of organizations stated that current programme requirements called for a range of technical specializations (such as nuclear safety inspectors and air-traffic controllers) that had not even been contemplated at the time the Noblemaire principle had been framed. The General Assembly, in its resolution 50/208 of 23 December 1995, recalled its endorsement in principle of the use of special occupational rates in organizations with problems of recruitment and retention, and requested the organizations of the system to collect data to substantiate those problems. It also requested ICSC to make recommendations regarding the conditions for the application of such rates.

5. Since then, the issue of identification of the highest-paid national civil service has not been resolved. Organizations consider that the Noblemaire principle is not being respected. For those reasons, the issue of special occupational rates has not been re-examined by ICSC.

6. In the absence of further work by the Commission, some organizations of the common system have resorted to ad hoc measures such as the granting of higher steps for specific occupations.

7. With regard to the United Nations, the Secretariat has brought the issue of the non-competitive nature of remuneration for the staff in the Professional and higher categories to the attention of ICSC on numerous occasions, in particular with respect to junior Professional levels, specialized occupations and high-level officials.

Notes

[a] See *Official Records of the General Assembly, Forty-seventh Session, Supplement No. 30* and corrigendum (A/47/30 and Corr.1).

[b] Ibid., *Forty-eighth Session, Supplement No. 30* and corrigendum (A/48/30 and Corr.1).

[c] Ibid, *Forty-ninth Session, Supplement No. 30* (A/49/30).

[d] Ibid., *Fiftieth Session, Supplement No. 30* (A/50/30).

Document A/54/7/Add.5

Sixth report

Programme budget for the biennium 1998-1999

Proposed programme budget for the biennium 2000-2001

[Original: English]
[3 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the reports of the Secretary-General on the construction of additional conference facilities at Addis Ababa (A/54/431) and unforeseen and extraordinary expenses (A/C.5/54/29), and the notes by the Secretary-General on the following subjects: proposed abolition of two General Service posts under income section 3, Services to the public (A/C.5/54/14); internal and external printing practices at the Organization (A/C.5/54/18); temporary assistance for meetings: requirements for 2000-2001 (A/C.5/54/19); rental of United Nations premises by press and other entities (A/C.5/54/25); proposed programme budget for the biennium 2000-2001: section 26, Public information (A/C.5/54/27); and use of general temporary assistance for specific positions (A/C.5/54/33). During the consideration of the reports, representatives of the Secretary-General provided additional information.

Construction of additional conference facilities at Addis Ababa

2. The report of the Secretary-General on construction of additional conference facilities at Addis Ababa (A/54/431) has been submitted in accordance with General Assembly resolution 39/236 of 18 December 1984.

3. The Advisory Committee notes from the annex to the report that, as at 30 June 1999, out of a total amount of $115,228,494 authorized by the General Assembly between 1984 and 1997, disbursements amounted to $114,084,919, leaving a balance of $1,143,575, which includes outstanding obligations of $618,126. Thus, the estimated balance of funds as at 30 June 1999 amounts to $525,449. Upon inquiry, the Committee was informed that any balance of funds remaining at the end of the biennium would be reported to the Assembly for a decision.

4. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General (ibid.).

Unforeseen and extraordinary expenses

5. The report of the Secretary-General on unforeseen and extraordinary expenses (A/C.5/54/29) was submitted in response to the request by the Advisory Committee in paragraph 126 of its first report on the proposed programme budget for the biennium 2000-2001[1] that the Secretary-General submit to the General Assembly at the main part of its fifty-fourth session an analysis reviewing the levels specified in the resolution of the Assembly on unforeseen and extraordinary expenses, together with proposals, if necessary, for adjustment of the levels.

6. With regard to the recommendation by the Secretary-General that his authority to commit without prior concurrence of the Advisory Committee be increased from $5 million to $10 million for activities relating to the maintenance of peace, the Committee notes, from paragraph 22 of the report, that in 1998 the total cost of activities related to good offices, preventive diplomacy, peacemaking and peace-building missions amounted to $7,013,100 ($3,602,200 funded under the $5 million commitment authority granted by the General Assembly and $3,410,900 funded from voluntary contributions). As at 15 October 1999, $4.9 million had already been utilized in 1999 for such activities ($4,037,900 from the $5 million commitment authority and $862,300 from voluntary contributions). Furthermore, the Committee notes that if the estimated costs of the implementation of Security Council resolution 1237 (1999) of 7 May 1999, related to the establishment of expert panels on Angola ($1 million), and those related to the appointment of the Special Envoy of the Secretary-General for the Balkans ($1.4 million) were to be included in the 1999 requirements for unforeseen and extraordinary expenses, the total level of expenditures would amount to $7.3 million.

7. The Advisory Committee understands that the situations in which the Secretary-General has recourse to paragraph 1 (*a*) of General Assembly resolution 55/223 of 22 December 1997 on unforeseen and extraordinary expenses must be dealt with on an urgent and timely basis. It also recognizes that activities undertaken for the maintenance of peace constitute an expense of the Organization and should be subject to assessment among Member States, and that voluntary contributions as supplementary funds should only be utilized in addition to, not in lieu of, assessed resources for activities related to the approved work programmes of the Organization. Therefore, on the basis of the figures provided in the report for the years 1998 and 1999, the Advisory Committee recommends that the authority of the Secretary-General to commit without its prior concurrence be increased to $8 million.

8. With regard to the recommended revision of commitments certified by the President of the International Court of Justice relating to certain expenses of the Court, the Advisory Committee recognizes that the proposed changes represent technical adjustments. Accordingly, the Committee recommends their approval.

9. The Secretary-General proposes an increase, from $10 million to $25 million of his authority, on a decision of the Security Council, to enter into commitments relating to the maintenance of peace and security with the prior concurrence of the Advisory Committee before the preparation and submission of a budget for approval by the General Assembly. The Committee is of the opinion that experience has not so far provided a compelling reason to change the current arrangement. Furthermore, given the fact that the Assembly is now in session year-round, in the view of the Committee there is enough flexibility built into the current arrangement. The situation could be monitored if developments are perceived as warranting a change.

Proposed abolition of two General Service posts under income section 3, Services to the public

10. As indicated in paragraph 2 of the note by the Secretary-General on the proposed abolition of two General Service posts under income section 3, Services to the public (A/C.5/54/14), the proposal for engaging an outside contractor to run the

bookshop at Geneva has been made in the proposed programme budget for the biennium 2000-2001 under income section 3, Services to the public.

11. The proposal reorganization of the bookshop operations would result in the abolition of two General Service posts at Geneva that are currently allocated for the bookshop sales staff.

12. In its first report on the proposed programme budget for the biennium 2000-2001, the Advisory Committee requested the Secretary-General to review the case for abolishing the two General Service posts at Geneva, as the proposal did not seem to be entirely substantiated.[2]

13. As indicated in the note by the Secretary-General, following a review by the Secretariat, proposals for the abolition of two General Service-level posts in the Geneva Sales and Marketing Section were modified to the abolition of just one post.

14. Upon inquiry, the Advisory Committee was informed that the job description of the General Service post to be retained would entail monitoring bookshop activities and financial aspects on a daily basis, developing new gift items and promoting the bookshop and gift shop through mail promotions, advertising of events, external exhibits and public relations.

15. The Advisory Committee recommends approval of the proposal contained in paragraph 3 of the note by the Secretary-General to abolish one General Service-level post in the Geneva Sales and Marketing Section so that one General Service-level post may be maintained.

Internal and external printing practices at the Organization

16. The note by the Secretary-General on internal and external printing practices at the Organization (A/C.5/54/18) was submitted in response to the concern expressed by the Advisory Committee in paragraph 78 of its first report on the proposed programme budget for the biennium 2000-2001[1] about the need for the Organization to have a rational basis for determining the mix of external and in-house printing. The Committee requested that comparative data for all United Nations Headquarters be submitted to the General Assembly early at its fifty-fourth session. The Committee also recommended that the Secretary-General prepare a comprehensive report for submission to the Assembly at its fifty-fifth session containing information on the total cost of operating the printing facilities at Geneva and New York, the capacity of all the plants and the printing workload, as well as information on the printing programme that is contracted out and comparative costs for in-house and external printing.[3]

17. The Advisory Committee notes the considerable improvement in efficiency in the printing programme in New York through the introduction of new technologies. Turn-around time is now shorter, the capability of the printing facility to produce diverse and complex publications has been greatly enhanced and the range of services and materials that need to be outsourced has been reduced as has the number of posts in the Reproduction Section.

18. The Advisory Committee notes the development by the Reproduction Section in New York of a computer programme to estimate the cost of individual jobs and its use to determine whether or not particular jobs should be outsourced. The Committee commends this effort and encourages further development of the

programme. The development of a similar system at Geneva should be closely coordinated with the Reproduction Section in New York so as to avoid any duplication of work and to ensure comparability of data, with a view to extending it elsewhere. The Committee is also of the opinion that a method should be developed to figure in maintenance and overhead costs. Developments should be reported in the context of the next proposed programme budget.

19. In the opinion of the Advisory Committee, the note by the Secretary-General only partially responds to the request by the Committee in its first report on the proposed programme budget for the biennium 2000-2001.[1] The Committee expects that the comprehensive report to be submitted to the General Assembly at its fifty-fifth session will fully address the issues raised by the Committee, in particular with regard to the situation at the United Nations Office at Geneva. In this context, the report should also assess the implementation of the observations and recommendations of the comprehensive study on conference services contained in the report of the Secretary-General of 17 November 1994.[4] The findings and conclusions were endorsed by the Assembly in its resolution 49/221 C of 23 December 1994. The Committee also requests that additional information be included in that report on measures taken to ensure coordination between printing facilities at different duty stations, to achieve economies of scale, including through the development of common services among all United Nations entities at a duty station and to ensure that the way outputs are measured throughout the system is the same. The Committee further requests information on the potential for reducing the budget for printing, given the approximately 25 per cent reduction in hard-copy output since the biennium 1992-1993 and the productivity gains achieved.

Temporary assistance for meetings: requirements for the biennium 2000-2001

20. The note by the Secretary-General entitled "Temporary assistance for meetings: requirements for 2000-2001" (A/C.5/54/19) was submitted in response to concerns expressed by the Advisory Committee in its first report on the proposed programme budget for the biennium 2000-2001,[1] regarding the reductions in requirements for temporary assistance for meetings in the amount of $4,873,500 before recosting under section 2, General Assembly affairs and conference services, of the proposed programme budget. In its report, the Committee stated that the estimates and the additional information it was given did not contain sufficient justification for the proposed reductions. Bearing in mind the level and quality of services to be provided, the Committee requested the Secretary-General to provide further justification to the General Assembly at its fifty-fourth session.

21. In the opinion of the Advisory Committee, the note does not address the concerns expressed in its first report on the proposed programme budget for the biennium 2000-2001,[1] nor does it reflect the specific problems faced by the Department of General Assembly Affairs and Conference Services with regard to the impact of resources on the effective delivery of services. Furthermore, it seems to the Committee that the methodology used to determine requirements for conferences services, which is based on past usage, is driven by budget reduction concerns rather than actual demand for services. In this connection, the Committee believes that estimates of requirements for conference services should be based, in addition to past experience, on: (*a*) meetings scheduled in the calendar of conferences; (*b*) conferences or meetings that may arise as the result of new legislative mandates; and (*c*) meetings of regional and other major groupings of

Member States. The Committee emphasizes that flexibility should be built into the methodology. The Committee recalls its comments in paragraph VIII.56 of its first report on the proposed programme budget for the biennium 1996-1997[5] and paragraph VIII.144 of its first report on the proposed programme budget for the biennium 1998-1999[6] that more should be done to provide better cost information on meetings and documentation and to make a detailed analysis of the actual level of demand and output for conference services, both for formal and informal meetings.

22. The Advisory Committee points out that the statistics used in the preparation of the note by the Secretary-General are from 1998. Statistics must now be available for 1999 and they should have been indicated in the note.

23. The Advisory Committee understands that self-revision rates are on the rise, and expresses its concern that this could have an adverse effect on the quality of translations produced. The Committee was informed that efforts were under way to enhance the quality of translated documents, but that both the interpretation and the translation services had been affected in their efforts to ensure quality and capacity by the restrictions imposed by the General Assembly in its decision 51/408 of 4 November 1996 on the temporary recruitment of retirees. Retired language staff are often the best source of qualified and experienced temporary assistance for those services. The Assembly may wish to review this issue in all its aspects in the light of the problems faced by the services. In this connection, the Committee recalls paragraph 13 of its report of 20 November 1998,[7] in which it noted the decline in the proportion of retirees employed on a non-local basis and requested that the trend be monitored carefully in terms of quality of service.

24. With regard to computer-assisted translation, the Advisory Committee was informed that the software had been acquired in the middle of 1999 at a reasonable cost, but that it was not yet available in all the official languages. The Committee further understands that the software purchased will soon be superseded by upgraded software, thus further complicating the situation. While the Committee acknowledges the Secretariat's efforts to achieve efficiency gains through such technological innovations, it urges that present difficulties be rectified on an urgent basis. The Committee is concerned that the anticipated productivity gains will not entirely offset reductions in temporary assistance and, in this regard, recommends that the quality of services be monitored.

Rental of United Nations premises by press and other entities

25. The note by the Secretary-General on rental of United Nations premises by press and other entities (A/C.5/54/25) was submitted in response to the request by the Advisory Committee in paragraph VIII.67 of its first report on the proposed programme budget for the biennium 2000-2001[1] that the Secretary-General survey the terms of the agreements under which the press and other entities occupy space in buildings owned and rented by the United Nations free of charge or for less than commercial rates.

26. Current rental practice of the United Nations is summarized in paragraph 5 of the note by the Secretary-General, where it is stated that the approach used by the United Nations to set rents "depends on the nature of the relationship between the United Nations and the tenant, and on the level of the tenant's contribution to the work of the Organization". In the opinion of the Advisory Committee, these criteria are far too general and, in fact, could be open to different interpretations.

Furthermore, current practice as laid out in paragraphs 4 to 6 of the note has, in the view of the Committee, led to several inconsistencies that must be addressed.

27. In paragraphs 7 to 11 of the note by the Secretary-General tenants are broken down into four major groups: (*a*) organizations of the United Nations system, entities affiliated with the United Nations and other international organizations; (*b*) commercial entities providing support services to the Organization; (*c*) staff-related and staff-affiliated bodies and entities; and (*d*) press and other media entities. Current practice with regard to the four groups of tenants is summarized using examples.

28. The Advisory Committee points out that it did not request a summary, but rather a survey. It has therefore requested a complete listing of United Nations tenants, including those that occupy space but do not pay rent, containing the following information: (*a*) the name of each organization or entity; (*b*) the amount of space occupied by each organization or entity in square feet; (*c*) rent paid per square foot; (*d*) maintenance and overhead charges paid; (*e*) actual percentage formula applied with reference to normal market rates; and (*f*) type of contract or agreement, in particular with reference to the "escape" clause. At the time of approval of the present report, the Committee had not received the information. It intends to revert to the matter upon receipt of the requested information.

Proposed programme budget for the biennium 2000-2001: section 26, Public information

29. In the context of its consideration of the proposed programme budget for the biennium 2000-2001,[8] the Advisory Committee noted that an amount of $206,100 had been requested to cover the cost of personal service contracts related, inter alia, to the creation of search programmes and databases for the United Nations web site in official languages other than English. The Committee pointed out that no statement of programme budget implications had been submitted to the General Assembly at its fifty-third session in connection with the adoption of resolution 53/208 C of 18 December 1998, and requested that cost estimates and a related Secretariat-wide plan be presented to the Assembly at the main part of its fifty-fourth session.

30. In response to resolution 53/208 C in which, inter alia, the General Assembly stressed the need to achieve equal treatment of the six official languages on United Nations web sites, the Secretary-General submitted a report (A/AC.198/1999/6) to the Committee on Information at the first part of its twenty-first session, in May 1999, outlining three proposals, together with an indication of the magnitude of the resource requirements. At that session, in its draft resolution B,[9] the Committee on Information decided to recommend to the Assembly that it take note of the report and request the Secretary-General to develop further his proposals pertaining to proposal C. Under proposal C, the United Nations web site would be developed in all official languages, as staff and other resources permit, and parity would be introduced in modules.

31. The Advisory Committee notes from paragraph 6 of the note by the Secretary-General entitled "Proposed programme budget for the biennium 2000-2001: section 26, Public information (A/C.5/54/27), that the Secretary-General has submitted a report (A/AC.198/1999/9 and Corr.1 and 2) on proposal C, outlining three options, together with an indication of the level of resource requirements, for consideration

by the Committee on Information at its resumed twenty-first session in November 1999. At that session, the Committee on Information, in its revised draft resolution B, inter alia, decided to recommend to the General Assembly that it take note with appreciation, with reference to the reports of the Secretary-General (A/AC.198/1999/6 and A/AC.198/1999/9 and Corr.1 and 2), of the efforts of the Secretary-General to develop and enhance the United Nations web sites in all the official languages of the United Nations and requested him to pursue those efforts and to continue to develop proposals for consideration by the Committee on Information at its next session.[10]

32. The Advisory Committee also notes from paragraph 9 of the note by the Secretary-General that, should the Committee on Information make recommendations that would have programme budget implications, a statement would be prepared prior to the adoption of such recommendations.

33. The Advisory Committee recommends that the General Assembly take note of the note by the Secretary-General (A/C.5/54/27).

Use of general temporary assistance for specific positions

34. The note by the Secretary-General on the use of general temporary assistance for specific positions (A/AC.5/54/33) was submitted in response to the request by the Advisory Committee in its first report on the proposed programme budget for the biennium 2000-2001 for further information on that subject,[1] with proposals for either temporary or established posts or an explanation of why the continued use of general temporary assistance would be necessary.

35. The Advisory Committee notes the statement, in paragraph 4 of the note by the Secretary-General, that general temporary assistance, in addition to being used to replace staff on maternity or sick leave or to ensure adequate staffing during peak workload periods, is used to fund specific positions which are associated with some degree of uncertainty as to the need for them to be retained in the definite future, either at their current level or in their current pattern of grades and categories. Such positions range from relatively long-term arrangements to new proposals for the biennium 2000-2001.

36. Upon inquiry as to why the Secretariat does not convert those positions to temporary posts, the Advisory Committee was informed that, in many of the cases, the uncertainty of the situation makes flexibility a necessity. According to the representatives of the Secretary-General, arrangements for funding under general temporary assistance can be moulded to fit the situation in terms of duration and level of the position. The Committee does not question the need for flexibility. However, it is of the opinion that ample flexibility is afforded through the use of short-term or fixed-term contracts against temporary posts. It has been and continues to be the position of the Committee that general temporary assistance should only be used to replace staff on sick or maternity leave and for periods of peak workload. Furthermore, the Committee notes that many of the positions described in the note appear to involve functions of a continuing nature. Positions that represent a continuing need within the Organization should be regularized, that is, converted either to temporary or established posts. The appointment of staff under general temporary assistance is governed by the provisions of administrative instruction ST/AI/295 of 19 November 1982, paragraph 3 of which sets out the purposes for which such staff are to be appointed, as follows:

"(*a*) To assist in dealing with peak workloads, particularly when necessary to meet deadlines for the production of reports and other work, or when the work is not evenly distributed over the year;

"(*b*) To assist in dealing with unexpected demands on the regular staff which could not be foreseen;

"(*c*) To cover essential work which, as a result of vacancies, cannot be performed by regular staff;

"(*d*) To provide services required for conferences and other short-term purposes that cannot be provided by regular staff."

37. The Advisory Committee asked how many of the posts listed in the annex to the note by the Secretary-General corresponded to replacements for staff on sick or maternity leave or to staff hired to help cope with periods of peak workload. The response by the representatives of the Secretary-General was that none of the posts was for those purposes.

38. The Advisory Committee stresses that, in the area of administrative and budgetary practice, the Secretary-General should be guided solely by the relevant provisions of General Assembly resolutions. The Committee points out that the funding of positions that are of a continuing nature under general temporary assistance creates a lack of transparency and is a departure from approved budgetary practice with regard to general temporary assistance. In this connection, the Committee recalls paragraph 7 (c) of its first report on the proposed programme budget for the biennium 2000-2001,[1] in which it stated that the budget line "Other staff costs" should be broken down by component, that is, into amounts requested for: temporary assistance for meetings; temporary assistance to cover maternity and extended sick leave; supplementary staff for peak workloads or unforeseen special requirements; and overtime. Furthermore, the practice of terminating personnel after 11 months of service and then rehiring them, often after a very short break in service, also affects the transparency of the budgetary process. The Committee has requested additional information on the types of contracts used under general temporary assistance, their duration, what the associated benefits (including pension entitlements) are and whether the hiring of staff under general temporary assistance has an impact on the rights and entitlements of such staff. This information should be provided as soon as possible to both the Advisory Committee and the Fifth Committee.

39. Upon inquiry as to why the total figure (123) in the annex to the note did not match the figure in the table in paragraph 52 of its first report on the proposed programme budget for the biennium 2000-2001[1] (125), the Committee was informed that there had been an error in the original table in the number of positions listed under the Economic Commission for Africa.

40. The note by the Secretary-General separates the use of general temporary assistance for specific positions into four areas: (*a*) the Integrated Management Information System (IMIS); (*b*) the Office of the United Nations Special Coordinator in the Occupied Territories; (*c*) human rights; and (*d*) subregional development centres and the United Nations Office at Nairobi.

41. In paragraph 5 of the note by the Secretary-General, it is indicated that positions have been proposed to be funded through general temporary assistance for

the installation, operation, support and maintenance of IMIS. However, upon inquiry, the Advisory Committee was informed that the 21 posts related to IMIS were all for maintenance of IMIS. In the opinion of the Committee, it is very clear that the maintenance of IMIS is a continuing function and that the positions should therefore not be funded under general temporary assistance.

42. Section 5, Office of the United Nations Special Coordinator in the Occupied Territories, of the proposed programme budget for the biennium 2000-2001[11] includes 25 positions funded under general temporary assistance. The Advisory Committee reiterates its opinion that the posts should have been disclosed in the staffing table as temporary posts.

43. With regard to paragraph 10 of the note, the Advisory Committee is of the view that the 19 positions proposed for the Cambodian office for human rights and the two for that of the Special Rapporteur in Rwanda should be reviewed in the biennium 2000-2001.

44. The 12 security officer positions at the United Nations Office at Nairobi, referred to in paragraph 11 of the note, have existed for more than 20 years. The argument that they should be funded under general temporary assistance is, in the opinion of the Advisory Committee, specious and therefore they should be charged against established posts. The 22 support positions at the subregional development centres of the Economic Commission for Africa, covering such functions as cleaners, telephone operators, messengers and drivers, which also have existed for an extended period of time, clearly represent a continuing need and do not fall within the framework of general temporary assistance. These services should either be outsourced, if feasible, or charged against temporary posts. As regards the 22 new security officer positions, it is the opinion of the Committee that the need for the officers has been identified and that that need is not likely to change in the near future, therefore those positions should be temporary posts.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7).

[2] Ibid., para. IS3.4.

[3] Ibid., para. VIII.58.

[4] A/C.5/49/34 and Corr.1.

[5] *Official Records of the General Assembly, Fiftieth Session, Supplement No. 7* (A/50/7).

[6] Ibid., *Fifty-second Session, Supplement No. 7* (A/52/7/Rev.1).

[7] A/53/691.

[8] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), Vol. III, para. 26.53.

[9] Ibid., *Supplement No. 21* (A/54/21), chap. IV.

[10] Ibid., *Supplement No. 21A* (A/54/21/Add.1), draft resolution B, para. 35.

[11] Ibid., *Supplement No. 6* (A/54/6/Rev.1), vol. II.

Document A/54/7/Add.6

Seventh report

International Trade Centre UNCTAD/WTO

[Original: English]
[9 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the proposed programme budget for the biennium 2000-2001 for the International Trade Centre UNCTAD/WTO.[1] The report is being submitted pursuant to the procedure described in paragraph IV.61 of the first report of the Advisory Committee on the proposed programme budget for the biennium 2000-2001.[2]

2. As indicated in paragraphs 11B.3 and 11B.4 and in table 11B.1 of the proposed programme budget,[1] the contribution of the United Nations to the budget of the International Trade Centre UNCTAD/WTO (ITC) for the biennium 2000-2001 amounts to $19,980,000 (29,170,800 Swiss francs), representing an increase of 1.3 per cent over the 1998-1999 appropriation. The Advisory Committee notes from paragraph 11B.3 that the increase is due mainly to the proposal to establish two posts at the P-4 level.

3. The Advisory Committee also notes that agreement has been reached between the United Nations and the World Trade Organization (WTO) on the proposed programme budget for ITC, including the request for the two new P-4 posts. The Committee recommended acceptance of the proposal. However, as indicated in paragraph 11B.5, no agreement has been arrived at between the United Nations and WTO to reclassify two P-3 posts to the P-4 level and one P-2 post to the P-3 level. The Committee notes from the report that no submission from the Secretary-General has been made to reclassify the posts. The Committee also notes from paragraph 11B.6 that WTO has not yet finalized its position on the matter.

4. The Advisory Committee expresses its concern at the disagreement between the United Nations and WTO on the reclassification of the three posts. In the opinion of the Committee, there is a need for a consistent approach in budgetary matters and in determining actual post requirements, due regard being paid to the specific requirements of each organization. In this connection, the Committee requests both organizations to review the matter, bearing in mind the expressed needs of ITC. The results of the review should be submitted to the General Assembly in the context of the first performance report on the programme budget for 2000-2001.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6A* (A/54/6/Rev.1/Add.1).

[2] Ibid., *Supplement No. 7* (A/54/7).

Document A/54/7/Add.7

Eighth report

Second performance report on the programme budget for the biennium 1998-1999

[Original: English]
[9 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the second performance report of the Secretary-General on the programme budget for the biennium 1998-1999 (A/54/631). During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided it with additional information and clarification.

2. The Advisory Committee notes that, as in the past, the scope of the report is financial only and will be supplemented by a report on programme implementation, which will be submitted for consideration by the Committee for Programme and Coordination and the General Assembly. In this regard, the Advisory Committee recalls its observation that the goal of performance reporting should be to relate financial data to programme performance, and that additional efforts should be made by the Secretariat to consider, in the long term, combining the two sides of budget performance into a single performance report.[1]

3. The Advisory Committee notes from paragraph 1 of the report of the Secretary-General that the anticipated final level of expenditure and income for the biennium 1998-1999 represents a net decrease of $35.3 million compared with the revised appropriations and estimates of income approved by the General Assembly in its resolutions 53/215 A and B of 18 December 1998. The projected expenditure for the biennium 1998-1999 is estimated at $2,488.3 million gross, which reflects a decrease of $41.6 million compared with the revised income estimates ($2,529.9 million). The projected income is estimated at $356.4 million, which reflects a decrease of $6.3 million compared with the revised income estimates of $362.7 million.

4. As the Secretary-General also indicated in paragraph 1 of his report, the anticipated final expenditure and income figures for the biennium 1998-1999 are based on actual expenditures for the first 20 months, projected requirements for the last 4 months and changes in inflation and exchange rates and cost-of-living adjustments as compared with the assumptions made in his first performance report on the programme budget for the biennium 1998-1999.[2] The Advisory Committee welcomes the fact that actual expenditures are provided for a longer period of time compared with the second performance report of the Secretary-General on the programme budget for the biennium 1996-1997,[3] which was based on actual expenditures for the first 18 months and projected requirements for the last 6 months. The Committee recalls that, in its report submitted at the fifty-second session, it recommended that the Secretariat should attempt to base performance reporting on actual expenditures for the first 21 months of the biennium.[4]

5. As can be seen from paragraph 2 of the report, the net reduction in requirements of $35.3 million reflects the combined effect of: (*a*) projected additional requirements of $4.8 million resulting from commitments entered into in

accordance with the provisions of General Assembly resolution 52/223 of 22 December 1997 on unforeseen and extraordinary expenses and commitments arising from the administrative and programme budget implications of Commission on Human Rights resolution 1999/S-4/1 on the situation of human rights in East Timor (see E/1999/L.59), endorsed by the Economic and Social Council in its decision 1999/293; and (*b*) reductions of $40.1 million due to changes in exchange rate assumptions ($17.2 million), changes in inflation assumptions ($2 million), variations in posts and common staff costs ($12.3 million) and adjustments to objects of expenditure other than posts, based on actual anticipated requirements ($14.9 million), which were partially offset by a decrease of $6.3 million in income.

6. As indicated in paragraph 3 of the report, in view of the chronic cash shortage of the Organization the Secretary-General proposes to suspend the provisions of financial regulations 4.3, 4.4 and 5.2 (*d*) in respect of surpluses arising at the end of the financial period 1998-1999. The Advisory Committee was informed, upon inquiry, that this palliative measure had been used on a number of occasions in the past. In its resolutions 2947 A and B (XXVII) of 8 December 1972, 36/116 B of 10 December 1981, 40/241 B of 18 December 1985 and 42/216 A of 21 December 1987, the General Assembly decided to suspend the provisions of financial regulations 4.3, 4.4 and 5.2 (*d*) in respect of the surpluses under the regular budget arising at the end of 1972 and at the end of the bienniums 1980-1981, 1982-1983, 1984-1985 and 1986-1987, as well as the surplus described in the performance report of the Secretary-General for the biennium 1986-1987.[5] Information on the amount of authorized retained surpluses is contained in the report of the Board of Auditors for the biennium ended 31 December 1997.[6]

7. The Advisory Committee points out that the net reduced requirement of $35.3 million for the biennium 1998-1999 represents only a theoretical surplus since the related cash is not available to the Organization, owing to non-payment or late payment of assessed contributions by Member States. Therefore, the only means by which such an amount could be returned to Member States is by a credit against their future assessment, thereby further reducing the cash available to the Organization. Moreover, the Advisory Committee was informed that the suspension of these financial regulations can only be regarded as a temporary palliative for the financial difficulties of the Organization, since the amounts so realized must be returned to Member States at some point, that is, when the financial situation of the Organization permits. The Committee has pointed out a number of times in the past that the only way to solve the financial crisis of the United Nations is for all Member States to pay their assessment in full and on time. In this connection, it requests the Secretary-General to deliver a clear statement of the current cash-flow situation to the Fifth Committee during its current consideration of this matter. The Advisory Committee also requests the Secretary-General to present a complete analysis of the impact of a suspension of these financial regulations on all Member States, in particular on those which have paid their assessments in full and on time, and to provide the results to the Fifth Committee during its current consideration of the present report.

8. The reduced requirement of $19.2 million relating to changes in exchange rate and inflation assumptions is explained in paragraphs 6 to 11 of the report of the Secretary-General, and the details regarding the assumed and actual rates of exchange are contained in schedules 4 and 5; table 1 provides information on exchange rate and inflation changes by duty station.

9. The total additional requirements of $4,770,000 relating to commitments entered into by the Secretary-General under the provisions of General Assembly resolution 52/223 ($4,216,500) and commitments arising from the administrative and programme budget implications of Commission on Human Rights resolution 1999/S-4/1 ($553,500) are discussed in paragraphs 12 to 15 of the report of the Secretary-General. In this connection, the Advisory Committee draws attention to its recommendation that, for activities relating to the maintenance of peace and security, the authority of the Secretary-General to commit without the prior concurrence of the Committee be increased from $5 million to $8 million (see document A/54/7/Add.5 above, para. 7).

10. The Advisory Committee reiterates the recommendation it made in its report on the second performance report on the programme budget for the biennium 1996-1997, that future performance reports indicate the amount of unliquidated obligations included in estimated expenditures for the biennium.[7]

11. Information on the total reduction of $27.2 million due to variations in posts and common staff costs and adjustments to objects of expenditure other than posts is contained in paragraphs 16 to 34 and schedules 2, 3 and 8 of the report of the Secretary-General. As indicated in paragraph 19 of that report, the budgeted vacancy rate was 10 per cent for the Professional category and above and 2.5 per cent for the General Service category for the first year of the biennium and 5 per cent for the Professional category and above and 2.5 per cent for the General Service category for the second year of the biennium. However, the 1999 realized level of vacancies, on the basis of experience from January to September 1999, amounted to 9 per cent for the Professional category and above and 1.8 per cent for the General Service category. The Secretary-General indicates in paragraph 22 (*b*) of the report that the variation between the budgeted and realized vacancy rates for large budget sections with exceptionally high vacancy rates, such as 2A, 7A, 11A, 16 and 20, reflects normal attrition and retirements that have not been compensated for by recruitment activity of similar magnitude or speed to address those situations.

12. In this connection, the Advisory Committee requested information on the reasons for persistently high vacancies, including any continued impact of past recruitment freezes, and sought assurance that, in accordance with the requirements outlined in section II, paragraph 23, of General Assembly resolution 52/220 of 22 December 1997, vacancies were not being used to achieve budgetary savings. This information should be provided to the Fifth Committee during its current consideration of the matter, taking into account the Advisory Committee's observations in its report on the first performance report of the Secretary-General on the programme budget for the biennium 1998-1999.[8]

13. The Advisory Committee was also informed during its deliberations of a "cascade" effect in which vacancies are filled by internal candidates through promotion, which in turn triggers several vacancies at lower levels, possibly resulting in delays in filling vacancies. With reference to paragraph 23 of the report of the Secretary-General, the Advisory Committee believes that the Office of Human Resources Management should take special measures on an urgent basis to address the problem of high vacancy rates. Moreover, the Committee points out that with proper planning and streamlining of personnel practices and procedures, the vacancy situation could be improved.

14. The Advisory Committee was informed that a lower than anticipated vacancy rate had contributed to a reduction in requirements for temporary assistance in some budget sections. For example, average actual vacancy rates, as at 30 September 1999, of 2.3 per cent for the Professional category and above and 0.5 per cent for the General Service category, under section 1B, General Assembly affairs and conference services, resulted in additional requirements of $11.7 million under posts and reduced requirements of $7 million under other staff costs, that is, mostly temporary assistance. The Advisory Committee requests the Secretariat to provide a more detailed analysis of the $7 million savings under section 1B to the Fifth Committee during its current consideration of this matter so as to allow it to determine whether or not these savings have affected the delivery of conference services, a matter about which the Advisory Committee has previously expressed serious concern (see document A/54/7/Add.5 above, paras. 20-24).

15. The Advisory Committee notes from paragraph 28 of the report of the Secretary-General that additional requirements of $4.3 million at the United Nations Office at Vienna relate to reduced reimbursement mainly from the translation and associated reproduction and distribution requirements of the United Nations Industrial Development Organization and to a lesser extent from the International Atomic Energy Agency. The Committee is concerned about what appears to be underutilization of the conference-servicing capacity of the United Nations Office at Vienna. The Committee requests that this issue be analysed with a view to increasing the efficiency of conference services at Vienna, taking due account of facilities available at other United Nations centres. The results of the analysis should be reported to the General Assembly as soon as possible.

16. The Advisory Committee welcomes the inclusion in the report of the Secretary-General of information on compensation arising from judgements of the United Nations Administrative Tribunal in the amount of $387,143. A breakdown is contained in schedule 9 of the report.

17. The Advisory Committee notes from the report of the Secretary-General that it does not identify any savings resulting from efficiency measures that could be transferred to the Development Account in accordance with established procedures. The Advisory Committee is of the view that the explanation of some reduced requirements in paragraphs 29 to 31 of the report appears to suggest that these may result from efficiency gains. The Advisory Committee requests that the Secretary-General provide a clarification of this matter to the Fifth Committee. The Advisory Committee's comments and observations on the issues relating to the Development Account are reflected in document A/54/7/Add.8 below.

Notes

[1] See A/52/742, para. 1.

[2] See A/53/693.

[3] See A/C.5/52/32 and Corr.1.

[4] A/52/742, para. 10.

[5] A/C.5/42/40.

[6] *Official Records of the General Assembly, Fifty-third Session, Supplement No. 5* and corrigendum (A/53/5 and Corr.1), vol. I, pp. 167-168.

[7] See A/52/742, para. 11.

[8] See *Official Records of the General Assembly, Forty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.8, para. 8.

Document A/54/7/Add.8

Ninth report

Projects to be funded from the resources proposed under section 33, Development Account, of the proposed programme budget for the biennium 2000-2001

[Original: English]
[10 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/54/37) on the projects to be financed from the resources proposed under section 33, Development Account, of the proposed programme budget for the biennium 2000-2001.[1] During its consideration of the report, the Advisory Committee met with the Under-Secretary-General for Economic and Social Affairs and other representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee recalls that the General Assembly, in its resolution 54/15 of 29 October 1999, decided to establish a special multi-year account for supplementary development activities based on the priority objectives of the approved medium-term plan, and provided the guidelines for the operation of the account. In its resolutions 53/220 A of 7 April 1999 and 53/220 B of 8 June 1999, the Assembly approved the financing of seven projects from the resources of $13,065,000 under section 34, Development Account, of the programme budget for the biennium 1998-1999.

3. As indicated in paragraph 2 of the report of the Secretary-General, the total cost of the seven projects amounted to $12,945,000, leaving a balance of $120,000. The Advisory Committee was further informed that implementation of these projects started in July 1999, after the respective allotments were issued. The Committee recalls that the annual report of the first year of operation of the Development Account should be submitted for consideration by the General Assembly, through the Committee, in May 2000.

4. During its consideration of this issue, the Advisory Committee discussed the support provided by the Department of Economic and Social Affairs in the elaboration of the projects in question as well as in the implementation of some of them. The Committee trusts that this will not lead to the establishment of a structure within the Department in this regard. The Committee was also informed by the Under-Secretary-General of his awareness of the need to strengthen the monitoring and evaluation functions, so as better to measure the results achieved by the projects funded from the Development Account. The Committee further notes that in the absence of an agreement on performance indicators, the benchmarks used to measure the performance of the projects are the criteria set out by the General Assembly in its resolutions 53/220 A and B (see para. 8 below).

5. The proposed programme budget for the biennium 2000-2001 includes a provision of $13,065,000, the same level as for the biennium 1998/1999, under section 33.[1] The Advisory Committee recalls that the Secretary-General, in his introduction to the proposed programme budget for the biennium 2000-2001,

indicates that information regarding initiatives by programme managers to improve productivity and enhance the quality of programme performance was not included because developments precluded such a procedure.[2] However, once the General Assembly completed its consideration of matters related to the Development Account, the Secretary-General would be in a position to report on the specific measures he intended to apply in the context of implementing the budget for the biennium 2000-2001. As indicated in paragraph 2 above, the Assembly established the Development Account and the modalities for its use and operation in its resolution 54/15. Upon inquiry, the Committee was informed that the Secretary-General would therefore be able to submit his report in the spring of 2000.

6. In his report (ibid.), the Secretary-General proposes to utilize the resources under section 33 of the proposed programme budget for the biennium 2000-2001 for the implementation of 16 projects whose total costs amount to $13,185,000, inclusive of the balance of $120,000 from the biennium 1998-1999, mentioned in paragraph 3 above. The Committee recalls that, in its report of 20 October 1998 on utilization of the development dividend,[3] it had recommended that the proposed programme budget for the biennium 2000-2001 should include proposals for the full use of resources under the account, including any balance carried over.

7. The Advisory Committee notes that the estimates shown in relation to the projects are indicative in nature and do not represent the exact amounts. Detailed estimates, which govern expenditures of each project, are finalized at the time the allotments are issued.

8. The Advisory Committee commends the Secretary-General for the clarity and quality of the presentation of the projects proposed for implementation in his report. The Committee notes that the projects have been formulated on the basis of the guidelines and criteria set out by the General Assembly in its resolutions 53/220A and B. According to those criteria, emphasis is to be placed on the promotion of development activities that, in their implementation, demonstrate the benefits accruing in building national capacities, particularly in developing countries and countries with economies in transition; utilize the technical, human and other resources available in the developing countries; have multiplier effects and promote capacity-building in developing countries; and promote regional and interregional economic and technical cooperation among developing countries.

9. From the financial point of view, the Advisory Committee agrees with the proposals made by the Secretary-General in his report, and recommends that the General Assembly approve them. The Committee is aware, in this instance, of the delay in the submission of the proposal for development projects to be funded under section 33 of the programme budget. However, the Committee recommends that, in future, a summary of project proposals be submitted to the Committee for Programme and Coordination, for comments on the programmatic aspects of the proposal, before submission of fully detailed proposals for consideration by the Advisory Committee, which would make its recommendations to the Assembly (Fifth Committee) on the financial aspect of the proposals. The Advisory Committee also recommends that the proposal be submitted to the Second Committee for comments on the substance of the projects. The Assembly would then be in a position to approve the development projects to be funded under section 33 in conjunction with its approval of the proposed programme budget for the biennium.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), vol. III.

[2] Ibid., vol. I, para. 43.

[3] Ibid., *Fifty-third Session, Supplement No. 7* (A/53/7 and Add.1-15), document A/53/7/Add.4.

Document A/54/7/Add.9

Tenth report

Revised estimates: effect of changes in rates of exchange and inflation

[Original: English]
[10 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General containing revised estimates resulting from the effect of changes in rates of exchange and inflation (A/54/623), as well as the addendum to the report (A/54/623/Add.1), which updates the information contained therein.

2. The impact of the proposed recosting on the proposed programme budget for the biennium 2000-2001[1] is a net decrease of $93,396,300 under the expenditure sections from $2,655,362,400 to $2,561,966,100 and a decrease of $6,611,200 under the income sections from $370,435,700 to $363,824,500. The net decrease under the expenditure sections of $93.4 million reflects a combined effect of reduced requirements of $5.8 million attributable to adjustments to the initial proposed programme budget recommended by the Advisory Committee, $92.8 million resulting from revised exchange rate assumptions and an increase of $5.2 million in respect of inflation.

3. The Advisory Committee notes that, for the first time, the Secretariat has included in the recosting exercise the adjustments to the proposed programme budget resulting from the recommendations of the Committee. These have yet to be acted upon by the General Assembly. The Committee points out that the table following paragraph 11 of the report of the Secretary-General (A/54/623) contains an error: the recommendation of the Committee against the redeployment of a P-2 post from subprogramme 5 to subprogramme 1 within section 11A, Trade and development, should not have been included in the table, since there are no financial implications. This error, nevertheless, does not have any bearing on the proposed revision to the proposed programme budget for the biennium 2000-2001.

4. As indicated in paragraphs 1 to 3 of the addendum to the report (A/54/623/Add.1), the initial recosting reflected in the main report was based on data available up to November 1999, while the addendum provides the updated recosting based on the December 1999 United Nations operational rates of exchange and associated movements in the post adjustment indices.

5. The Advisory Committee has found no technical basis for objecting to the revised estimates of the Secretary-General arising from the recosting of the effects of changes in rates of exchange and inflation and, accordingly, transmits them to the Fifth Committee for consideration.

Notes

[1] *Official records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), vols. I-III.

Document A/54/7/Add.10

Eleventh report

Estimates in respect of matters of which the Security Council is seized

[Original: English]
[13 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/54/39) on estimates in respect of eight political missions of which the Security Council is seized: United Nations Political Office in Bougainville, United Nations Office in Burundi, United Nations assistance to the Facilitator of the Burundi peace process, United Nations Political Office for Somalia, United Nations Peace-building Support Office in Liberia, United Nations Office in Angola, Security Council expert panels on Angola and Special Envoy of the Secretary-General in Africa. During its consideration of the matter, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee notes that the report of the Secretary-General is being submitted in the context of actions taken by the Security Council regarding good offices, preventive diplomacy and post-conflict peace-building missions. These actions have been taken on the basis of requests from Governments and/or recommendations of the Secretary-General. As indicated in paragraphs 2 and 3 of the report, five of the missions were established before 1998. Resource requirements for those missions were incorporated in the initial appropriation and, subsequently, the revised appropriation of the programme budget for the biennium 1998-1999 in accordance with the provisions of General Assembly resolution 41/213 of 19 December 1986. The other three were newly authorized during the biennium 1998-1999.

3. As indicated in paragraph 38 of the report of the Secretary-General, the total cost of the activities described in the report is estimated at $9,964,500. In accordance with General Assembly resolution 53/206 of 18 December 1998, a provision has been included in the proposed programme budget for the biennium 2000-2001 for special political missions related to peace and security that are expected to be extended or approved during the course of the biennium. Accordingly, the Assembly is requested to approve the amount of $9,964,500 against the provision for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001.[1]

4. The Advisory Committee commends the Secretariat for the report, which, in its opinion, introduces elements of transparency with regard to staff costs and operational expenditures for the special political missions. The Committee notes that the initial estimates in the proposed programme budget for the biennium 2000-2001 contained little detail concerning the estimated requirements for special political missions.

5. Upon inquiry, the Advisory Committee was informed that the total that would be charged thus far against the provision for special political missions under General Assembly resolution 53/206 amounted to $55,363,100.

6. The Advisory Committee requests that future reports on the subject include a consolidated table of requirements by object of expenditure, as well as an indication of the decrease or increase with relation to the previous biennium.

7. The Advisory Committee notes that a total of 138 staff are requested for the biennium 2000-2001. In its opinion, table 2, which sets out the staffing requirements in each mission, is misleading because it does not show the total staffing levels for the previous biennium. Furthermore, there are some inconsistencies, such as in the case of local staff for the United Nations Political Office in Bougainville. In table 2, it is indicated that the current level of two local staff would be maintained, but in paragraph 18 it is indicated that there will be a reduction in the number of local staff from three to two. In connection with staffing, the Committee notes that resources are being requested in only one mission for the full biennium. In the opinion of the Committee, staffing requirements in future reports should be calculated in person-months and the previous staffing authorization shown in full.

8. The Advisory Committee also requests that the next report include information to indicate which of the missions that were included in the report were previously in place and which missions had been terminated since the last report. The Committee requests the Secretary-General to monitor carefully the continuation of special political missions. If he determines that a mission is likely to go beyond the biennium, requirements should be included in the initial estimates for the next biennium.

9. Bearing in mind the above comments and conclusions, the Advisory Committee recommends that the General Assembly approve the charge of total requirements of $9,964,500 for the eight missions against the provision for special political missions requested under section 3 of the proposed programme budget for the biennium 2000-2001.

Notes

[1] *Official records of the General Assembly, Fifty-fourth Session, Supplement No. 6* (A/54/6/Rev.1), vol. II.

Document A/54/7/Add.11

Twelfth report

Revised estimates under sections 3, Political affairs, and 5, Peacekeeping operations

[Original: English]
[14 December 1999]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General contained in document A/C.5/54/40 on the revised estimates under sections 3, Political affairs, and 5, Peacekeeping operations, of the proposed programme budget for the biennium 2000-2001, resulting from the new mandates of the United Nations Special Coordinator for the Middle East Peace Process, who is also the Personal Representative of the Secretary-General to the Palestine Liberation Organization and the Palestinian Authority. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided it with additional information and clarifications.

2. According to the Secretary-General, the United Nations Special Coordinator for the Middle East Peace Process, who is also his Personal Representative to the Palestine Liberation Organization and the Palestinian Authority, will encompass the previous functions and responsibilities of the Office of the United Nations Special Coordinator in the Occupied Territories (UNSCO) and will also be the focal point for overall United Nations assistance to the Middle East peace process. Paragraphs 4 to 6 of the report of the Secretary-General provide details on the functions and responsibilities of the Special Coordinator.

3. The Advisory Committee notes that, according to section A.1 of annex I to the report of the Secretary-General, in addition to the provision for UNSCO already included in the proposed programme budget for the biennium 2000-2001, the estimated additional costs arising from the new mandates of the Special Coordinator amount to $3,755,800 for the biennium 2000-2001. These estimates provide for 19 additional regular budget posts (5 P-5, 7 P-3, 1 Field Service, 3 Security and Safety and 3 Local level), a reclassification of the post of the current Deputy Special Coordinator from the D-1 to the D-2 level and other non-staff requirements, including $49,600 for consultants and experts, $252,100 for travel, $292,300 for general operating expenses, $9,000 for hospitality and $96,400 for supplies and materials. Supplementary information on activities to be undertaken by the new office and its staffing requirements are shown in annex II to the report of the Secretary-General. Upon request, the Committee was provided with a revised version of annex III, section A, of the report of the Secretary-General, giving a clearer description of requirements. It is contained in the annex to the present report.

4. The Secretary-General indicates in paragraph 10 of his report that, as the activities of the Office fall under the programme of Political Affairs, it is proposed that resources in the proposed programme budget for the biennium 2000-2001 related to the activities of the United Nations Special Coordinator currently in section 5 be transferred to section 3. Consequently, the Office will be partly financed from existing provisions in the proposed programme budget and partly

charged against the provision proposed for special political missions under section 3 pursuant to General Assembly resolution 53/206 of 18 December 1998.

5. Upon inquiry, the Advisory Committee was informed that the proposals contained in the report of the Secretary-General were made in order to align the resources under the section of the programme budget which had the responsibility for the activities in question. In the medium-term plan for the period 1998-2001,[1] the Department of Political Affairs carries out activities related to the prevention, control and resolution of conflicts and assistance, and support to the Secretary-General in the political aspects of his relations with Member States. Accountability at the intergovernmental levels with respect to political missions is the responsibility of the Department of Political Affairs. On that basis, and in order to reflect activities under the section undertaking the programme of work as defined in the medium-term plan, all resources previously budgeted under section 5 related to the activities of the Special Coordinator are proposed to be transferred from section 5 to section 3, under the section where the Department of Political Affairs is located. Moreover, the Committee was informed that in future proposed programme budgets, all special political missions, including UNSCO, will be proposed under the section where the Department is located; all requirements for the full implementation of the mandates of the special political missions should be budgeted accordingly. The Committee recalls its observations in paragraph II.7 of its first report on the proposed programme budget for the biennium 2000-2001[2] on the management of resources for special political missions.

6. The Advisory Committee notes from annex I.B to the report that the revised estimates for UNSCO provide also for the establishment of 14 extrabudgetary posts (1 D-1, 1 P-5, 4 P-3 and 8 Local level). The distribution of these posts is reflected in the organizational chart of the Office of the United Nations Special Coordinator, which appears in annex IV to the report.

7. Upon inquiry, the Advisory Committee was informed that with the exception of the D-1 post in the United Nations Affairs Unit, the remaining 13 extrabudgetary posts are project personnel, the cost of which is included under the budget line "Grants and contributions" in annex I, section A.2, Extrabudgetary resources, of the report of the Secretary-General. The Committee points out that the presentation of staffing requirements for UNSCO should have been in conformity with the structure of relevant tables of the proposed programme budget for the biennium 2000-2001 and that requirements for extrabudgetary posts should have been fully explained and justified.

8. Upon request, the Advisory Committee was informed that an amount of $250,000 is available in the trust fund for activities related to UNSCO. In addition, one Government had indicated that it would contribute an additional $2 million towards the funding of technical advisory services in the area of socio-economic development.

9. Taking into account the comments and observations in the paragraphs above, the Advisory Committee has no objection to the proposal of the Secretary-General that a provision of $3,755,800 be charged against the provision proposed for special political missions under section 3 of the proposed programme budget for the biennium 2000-2001 (including the reclassification of a D-1 post to the D-2 level) and that the related provision for UNSCO already included in the proposed programme budget for 2000-2001 be transferred from section 5 to section 3.

Notes

[1] *Official Records of the General Assembly, Fifty-first Session, Supplement No. 6* (A/51/6/Rev.1).

[2] Ibid., *Fifty-fourth Session, Supplement No. 7* (A/54/7/Rev.1).

Annex

Revised version of annex III, section A, of document A/C.5/54/40

A. Standard and mission-specific cost parameters

(United States dollars)

	Initial proposed programme budget rates for 2000-2001	*Proposed estimates*				*Explanation*
		Average strength	*Unit or daily cost*	*Monthly cost*	*Total cost*	
1. Staffing						
International staff	14	30				15 per cent turnover factor for new staff.
Local staff	15	18				
Salaries	2 412.50			2 412.50		
Common staff costs	1 516.66			1 516.66		
Consultants						
Fees	5 000			5 000		
Travel (round trip)	4 828			5 930		
DSA (first 30 days)	96		96			
DSA (after 30 days)	64		64			
2. Travel costs (round trip)						
(a) Air						
New York	4 500		5 100			
Geneva	1 500		1 000			
(b) Daily subsistence						Plus supplement of 40 per cent for USG and 15 per cent for Director level.
New York	275		275			
Geneva			316			
Jerusalem/West Bank	205		205			
Jordan			143			
Lebanon			144			
Syrian Arab Republic			145			
Egypt			153			
3. Premises						
(a) Rental						
Gaza Office	5 100					
Gaza Parking Space	1 000					
Additional Office				4 000		

	Initial proposed programme budget rates for 2000-2001	Proposed estimates				Explanation
		Average strength	Unit or daily cost	Monthly cost	Total cost	
(b) Minor alterations	9 300				21 700	Previous provisions for minor alterations were for painting of office and expansion of radio room and administration office space to make them more secure and functional. Current provisions relate to reconfiguration of offices in new rented premises in respect of new staff requested.
(c) Maintenance supplies	500			500		
(d) Maintenance services	1 200			600		Excluding $800 per month previously required for the maintenance of gardens at the UNSCO compound.
(e) Utilities	1 900			2 000		Reflecting anticipated new contractual arrangements and information concerning what is to be included in the contract for the new rented premises; unit rate increased by $100.
4. Transport operations						
Maintenance of vehicles	1 450 (per month)			1 200		Previous estimates related to 19 vehicles and 1 generator. Of the 19 vehicles, 11 are old, thus requiring more repairs and spare parts. Current provisions are for 12 new vehicles, which will need less maintenance.
Petrol, oil and lubricants						
Gasoline	0.30		0.30			Estimated annual consumption for gasoline and gas oil is $10,000 and $20,000, respectively, compared to $20,000 and $30,000, respectively, in previous submission.
Gas oil	0.27		0.27			
Insurance (per vehicle per annum)	825		825			Worldwide third-party liability.
5. Commercial						
(a) Communications, spare parts, supplies and maintenance	44 000			10 000		Spare parts for satellite ($20,000) are not included in the programme budget estimates, as well as other miscellaneous telecommunications supplies, such as hardware, tools, radio spare parts, heavy batteries and electronic parts ($14,000), which were provided in initial estimates.

	Initial proposed programme budget rates for 2000-2001	*Proposed estimates*				*Explanation*
		Average strength	*Unit or daily cost*	*Monthly cost*	*Total cost*	
(b) Commercial communications	7 000 (per month)			2 000		Estimates include only long-distance telephone calls and facsimile transmission and exclude all other expenditures linked with other commercial communications costs. No need for pro rata increase due to additional staff.
6. Supplies and services						
(a) Miscellaneous services	1 100			400		Excluding cost of maintenance of systems ($700 per month), i.e., payroll, Reality, Sun System, Progen, Newsfeed and Lotus Notes. Fixed cost not directly linked to additional staff but for systems of office as a whole.
(b) Official hospitality	725 (per month)			125		Each for Jordan, Lebanon and Syrian Arab Republic. Provisions in proposed programme budget include official functions for meetings of Local Aid Coordination Committee (50 people monthly at $300 per event); Joint Liaison Committee (30 people monthly, $200 per event); United Nations Coordination Committee (20 people monthly, $100 per event); and various sectorial working groups (10 people annually at $50 per event).
(c) Miscellaneous supplies	6 500 (per month)			2 500		Proposed estimates exclude reproduction, kitchen and other operational supplies, and subscriptions and standing orders.

Document A/54/7/Add.12

Thirteenth report

Review and assessment of the asbestos problem at the United Nations: management of asbestos-containing materials at the United Nations Headquarters buildings

[Original: English]
[15 March 2000]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the asbestos problem at the United Nations Headquarters buildings (A/54/779). The present report is submitted in accordance with paragraph 187 of General Assembly resolution 54/249 of 23 December 1999, in which the Assembly requested the Secretary-General to submit to it during its fifty-fourth session a detailed and comprehensive report addressing the asbestos problem. During its consideration of the report, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee notes from section III of the report of the Secretary-General (ibid.) that the report covers the United Nations Headquarters buildings, the UNDC-I and UNDC-II buildings, the former building of the United Nations Institute for Training and Research (UNITAR) and leased spaces in other buildings in New York. The Committee also notes that the report does not cover United Nations buildings at Geneva, Vienna and Nairobi or the locations of the regional commissions, since that information was not requested in the above-mentioned resolution.

3. In connection with the buildings at the United Nations Headquarters complex, the Advisory Committee notes from paragraph 11 of the report of the Secretary-General that asbestos-containing materials were extensively used as the buildings were constructed in the early 1950s, when the use of asbestos was widespread. Upon inquiry, the Committee was informed that since measures to manage asbestos started at United Nations Headquarters, 30 per cent of the asbestos had been removed from the buildings. The Committee was also informed that, with regard to the UNITAR building, 70 per cent of the asbestos had been removed and the remaining 30 per cent remained encapsulated, mainly on the ground floor.

4. The Advisory Committee notes from paragraphs 17 and 31 of the report of the Secretary-General that it is not possible to remove all the asbestos-containing materials from the United Nations Headquarters buildings without vacating and isolating multiple floors and that this would be undertaken in the context of implementing the capital master plan for extensive renovation of the United Nations Headquarters buildings, which is to be presented to the legislative bodies in 2000, as and when funding for such a plan has been approved.

5. With regard to current measures for the management of asbestos, the Advisory Committee notes from section VI of the report of the Secretary-General that these include continued encapsulation of the existing asbestos, whereby it poses no health risk to staff, delegates or visitors; semi-annual testing of all air supply and return

sources for the presence of any asbestos fibres; and the removal of asbestos-containing materials only where maintenance, alterations, improvement, construction or any other activity may necessitate its removal. The Committee was informed that all handling of asbestos had followed standard procedures and unacceptable levels had not entered the air stream.

6. Upon inquiry, the Advisory Committee was informed that between 14 and 15 complaints concerning asbestos are received every year. On receiving a complaint from staff, a licensed independent contractor is sent to test the area for the presence of any asbestos fibres and the results are made available to staff through the Medical Services Division. Investigation of past complaints has not led to a positive finding of asbestos fibres in the air stream.

7. As indicated in paragraph 28 of the report of the Secretary-General, for the biennium 2000-2001 the amount of $1 million has been budgeted for the management of asbestos at United Nations Headquarters. Upon inquiry, the Advisory Committee was informed that since this programme started, $1 million had been budgeted every biennium and expenditures had ranged from $250,000 to $500,000 per year.

8. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General and that information be provided on United Nations buildings at Geneva, Vienna and Nairobi and the locations of the regional commissions.

Document A/54/7/Add.13

Fourteenth report

Review of the resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries

[Original: English]
[17 March 2000]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the note by the Secretary-General on the review of resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries (A/C.5/54/50), as requested by the General Assembly in paragraph 104 of section IV of its resolution 54/249 of 23 December 1999. During its consideration of the matter, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

2. The Advisory Committee notes that, regarding the international event, the Secretary-General proposes to revert to this matter after clarification is received on the outcome of the consultations referred to in paragraph 2 of his note, when he will be in a better position to address the resource requirements issue. The Committee agrees with this proposal.

3. Regarding the Third United Nations Conference on the Least Developed Countries, the Advisory Committee notes that the Second Committee, at its 49th meeting, on 14 December 1999, adopted draft resolution A/C.2/54/L.73 by consensus. A statement of programme budget implications of draft resolution A/C.2/54/L.73 was before the Second Committee (A/C.2/54/L.74). The report of the Second Committee to the General Assembly, recommending the adoption of draft resolution A/C.2/54/L.73, is contained in document A/54/587/Add.6.

4. As indicated in its first report on the proposed programme budget for the biennium 2000-2001,[1] the Advisory Committee reiterates its concern over the continued practice of some intergovernmental bodies of attempting to determine the method of financing mandates to be approved in the context of substantive resolutions, in contravention of the provisions of General Assembly resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987, and recalls the spirit and the letter of section VI of Assembly resolution 45/248 B of 21 December 1990, which reaffirmed that the Fifth Committee is the appropriate Main Committee of the Assembly entrusted with responsibilities for administrative and budgetary matters, reaffirmed the role of the Advisory Committee, and expressed concern at the tendency of substantive Committees and other intergovernmental bodies to involve themselves in administrative and budgetary matters.

5. The Advisory Committee notes that the Fifth Committee, at its 48th and 50th meetings, on 17 and 23 December 1999, considered the programme budget implications of draft resolution A/C.2/54/L.73 (A/C.5/54/43) and decided to inform the General Assembly (see document A/54/693) that, should it adopt draft resolution

A/C.2/54/L.73 contained in the report of the Second Committee (A/54/587/Add.6), additional requirements of $646,400 would arise in the proposed programme budget for the biennium 2000-2001, under section 11A, Trade and development ($616,400) and section 26, Public information ($30,000). These resources would represent a charge against the contingency fund and would be considered in the context of the proposed programme budget for the biennium 2000-2001.

6. The Advisory Committee notes that the General Assembly, in adopting resolution 54/235 of 23 December 1999, also approved additional resources of $646,400 in the manner mentioned in paragraph 5 above (see document A/54/691, para. 14, summary table, section 11A.III and section 26.III (b)).

7. The Advisory Committee also notes that, in paragraph 14 of its resolution 54/235, the General Assembly decided to defray the cost of participation of two government representatives from each least developed country in the meetings of the Intergovernmental Preparatory Committee and the Conference itself (estimated, respectively, at $1,164,500 and $500,500 in A/C.5/54/43) through the use of extrabudgetary resources. In the event that those resources prove insufficient, it requested the Secretary-General to consider all other options, including the use of unspent balances from the regular budget for the biennium 1996-1997 as an exceptional measure.

8. The Advisory Committee recalls that, in paragraph 7 of its fourth report (see document A/54/7/Add.3 above) it had recommended that, on an exceptional basis, the special account be maintained and the unspent balance retained until all the activities and programmes outlined in the report of the Secretary-General of 13 May 1998[2] and approved by the General Assembly in its resolution 53/3 of 12 October 1998 were completed. The Fifth Committee agreed with this recommendation (A/54/691, paras. 45 and 46). Upon inquiry, the Advisory Committee was informed that no further expert group meetings had been convened since the issuance of the report of the Secretary-General of 26 October 1999 (A/54/501) and that the actual unspent balance amounted to $587,712 as at 31 December 1999.

9. The Advisory Committee was also informed that no response has been received as yet to the note verbale sent on 14 February 2000 by the secretariat of the United Nations Conference on Trade and Development to all its States members, inviting them to consider the provision of voluntary contributions to defray the costs mentioned in paragraph 7 above. However, a contribution of two million Finnish Markkaa ($338,764) has been received from the Government of Finland, which has been allocated to supporting the country-level preparatory process for the Third United Nations Conference on the Least Developed Countries. Given the fact that the preparatory process for the Conference is under way, a major part has already been obligated for those purposes.

10. The Advisory Committee notes that it is still early to predict the outcome of the appeal. It recommends therefore that the Secretary-General further inform the General Assembly, in the context of the second part of its resumed fifty-fourth session, of the status of voluntary contributions received. As indicated in the note by the Secretary-General (A/C.5/54/50, para. 8), an amount of $582,000 would be required to defray the costs of the participation of representatives of the least developed countries to the first session of the Preparatory Committee, to be held in July 2000. Moreover, the Advisory Committee notes and agrees with the proposal that, should there continue to be a shortfall in the availability of extrabudgetary

resources for the second session of the Preparatory Committee and the Conference itself, the Secretary-General would bring the situation to the attention of the Assembly for appropriate action in the context of its fifty-fifth session.

Notes

[1] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7/Rev.1), para. 66.

[2] A/52/898 and Corr.1.

Document A/54/7/Add.14

Fifteenth report

Review of the resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries

[Original: English]
[10 May 2000]

1. The Advisory Committee on Administrative and Budgetary Questions has considered the note by the Secretary-General on the review of resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries (A/C.5/54/58), as requested by the General Assembly in paragraph 5 of its resolution 54/258 A of 7 April 2000, and the statement on programme budget implications of draft resolution A/54/L.82 (A/C.5/54/59), submitted in accordance with rule 153 of the rules of procedure of the Assembly. During its consideration of the matter, the Advisory Committee met with representatives of the Secretary-General, who provided additional information.

Third United Nations Conference on the Least Developed Countries

2. The Advisory Committee recalls, as indicated in its previous report (see document A/54/7/Add.13 above, para. 7), that in paragraph 14 of its resolution 54/235 of 23 December 1999, the General Assembly decided to defray the cost of participation of two government representatives from each least developed country in the meetings of the Intergovernmental Preparatory Committee and the Third United Nations Conference on the Least Developed Countries itself (estimated at $1,164,500 and $500,500, respectively; see document A/C.5/54/43, para. 10) through the use of extrabudgetary resources. Subsequently, the Assembly, in its resolution 54/258 A, reaffirmed its decision contained in section XIV of its resolution 54/251 of 23 December 1999 to retain the unspent balance from the regular budget for the biennium 1996-1997 and to maintain the special account set up to handle those funds until all activities and programmes approved by the Assembly in its resolution 53/3 of 12 October 1998 were completed. Furthermore, in its resolution 54/258 A, while noting with concern that no extrabudgetary resources had been received to date, the Assembly requested the Secretary-General to explore ways of providing the resource requirements for the high-level international intergovernmental event on financing for development and the Third United Nations Conference on the Least Developed Countries and to report to it at the second part of its resumed fifty-fourth session.

3. Paragraph 3 of the note by the Secretary-General on the review of resources requirements for the high-level event and the Conference (ibid.) indicates that no contribution had been received as at the date in response to the note verbale sent on 14 February 2000 by the Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) to States members. Furthermore, the note indicates that a balance of $113,000 in the Trust Fund for the Participation of Least

Developed Countries in Intergovernmental Meetings had been identified which, with the approval of the General Assembly, could provide a portion of the $582,000 required for the participation of least developed countries in the first session of the Intergovernmental Preparatory Committee. The Assembly may wish to take a decision in this regard. However, even if the amount of $113,000 is made available, a balance of $469,000 would still be required to defray the costs of participation of government representatives of least developed countries in connection with this first session.

4. The Advisory Committee notes that, in order to meet the additional requirements, the Secretary-General has proposed in paragraph 6 of his note, in the event that no contributions are received before the opening of the first session, the utilization, on an exceptional basis, of the savings on exchange rates achieved since the beginning of the current year in respect of the regular budget appropriation for UNCTAD. These savings are projected by the Secretary-General to total $700,000 at 31 May 2000 in respect of section 11A, Trade and development, of the proposed programme budget for the biennium 2000-2001.

5. The Advisory Committee points out that the procedure proposed in paragraph 6 of the note by the Secretary-General is unusual and inadvisable in that it anticipates the appropriation of savings resulting from currency fluctuations. Such savings, if any, would not in fact be known until the performance report for the period in question was prepared. Moreover, according to representatives of the Secretary-General, the savings to be utilized would be restricted to a specific budget section. The Committee is of the opinion that the Secretary-General should have requested commitment authority for the $469,000 balance. Such additional appropriation as would be necessary could then be addressed in the context of the first performance report for the programme budget for the biennium 2000-2001 and, if desired, consideration could also be given to the use of the contingency fund. In this connection, the Committee inquired of the representatives of the Secretary-General as to their views on possibilities for the use of the contingency fund in this instance but did not receive a reply.

6. As for the resources required for the second session of the Intergovernmental Preparatory Committee and the Conference ($1,083,000), the Advisory Committee notes that the Secretary-General proposes in paragraph 7 of his note to bring the situation to the attention of the General Assembly at its fifty-fifth session for appropriate action together with any other additional requirements that may be considered necessary in order for UNCTAD to provide substantive support to the preparatory process and the Conference itself should there continue to be a shortfall in the availability of extrabudgetary resources. The Advisory Committee agrees with this proposal.

7. The Advisory Committee recalls and reiterates its observations and recommendations contained in paragraph 4 of its previous report (see document A/54/7/Add.13 above).

High-level international intergovernmental event on financing for development

8. In connection with the high-level international intergovernmental event, the Advisory Committee recalls that in its previous report (ibid., para. 2) it had agreed with the proposal of the Secretary-General to revert to the matter of the resource requirements for the event after the clarification of the issues and the consultations

described in his note on the review of resource requirements for the event (A/C.5/54/50, para. 2), when he would be in a better position to address the issue. The Advisory Committee notes that the Preparatory Committee for the high-level international event, at its session held on 31 March 2000, recommended that the General Assembly adopt draft resolution A/54/L.82, in which it would, inter alia, approve the proposals and recommendations contained in the report of the bureau of the Preparatory Committee (A/AC.257/6) and decide that the Preparatory Committee should hold two substantive sessions of two weeks' duration in both the first and second quarters of 2001 at United Nations Headquarters, as indicated in the statement submitted by the Secretary-General on programme budget implications of draft resolution A/54/L.82 (A/C.5/54/59, para. 2).

9. The statement submitted by the Secretary-General indicates that additional requirements of approximately $154,500 would arise under the programme budget for the biennium 2000-2001 and would provide for the travel and daily subsistence allowance of participants in the consultations of the bureau of the Preparatory Committee with intergovernmental stakeholders (Bretton Woods institutions, the World Trade Organization and the regional commissions) and other stakeholders (non-governmental organizations and the business sector) (ibid., para. 3).

10. The Advisory Committee points out the unusual nature of the request made in paragraph 7 of draft resolution A/54/L.82, and cautions that a decision by the General Assembly to approve it would constitute a precedent for the possible use of the regular budget for similar purposes in future.

11. In any case, with regard to paragraph 3 (*a*) of the statement submitted by the Secretary-General, the Advisory Committee is of the opinion that the Secretariat should have explored further the possibility of conducting the consultations with the intergovernmental stakeholders through videoconferencing, thus generating savings on the $119,400 earmarked for this purpose, and that it should make a point of doing so when similar circumstances arise in future. With regard to the possibility of using extrabudgetary resources, the Committee was informed that a trust fund was in the process of being established.

12. Moreover, the Advisory Committee points out that the estimated additional requirements are based on the assumption that all 15 members of the bureau will seek such reimbursement. However, to the extent that this is not so, there would be savings.

13. As regards the holding of the two two-weeks substantive sessions of the Preparatory Committee, as indicated in paragraph 8 above, the Advisory Committee notes that the Secretary-General stated that the conference-servicing requirements would be met on an as-available basis and that the cost would be met within the overall level of resources approved for conference services for the biennium 2000-2001 (ibid., para. 5).

14. The Advisory Committee notes from the statement that the Secretary-General is proposing that the General Assembly authorize him to incur the related expenditures up to $154,500 and that it request him to report to the Assembly on the actual requirements for implementing the activities specified in draft resolution A/54/L.82, in the context of the first performance report for the biennium 2000-2001, at which time, if additional resources were required, the contingency fund would be charged (ibid., para. 7).

15. The Advisory Committee points out that the formulation of paragraph 7 of the statement submitted by the Secretary-General is not fully consistent with past procedure or with the requirements of General Assembly resolutions 41/213 of 19 December 1986 and 42/211 of 21 December 1987. These resolutions require that information be provided on the possibility for redeployment or deferral of existing activities in case the balance remaining in the contingency fund is insufficient. Moreover, the amount to be appropriated as a charge against the contingency fund has not, in the past, been linked to the outcome of the performance report, as these are two separate exercises. Accordingly, the Advisory Committee recommends that the Fifth Committee inform the Assembly that, should it adopt draft resolution A/54/L.82, additional requirements up to $154,500 would arise under the programme budget for the biennium 2000-2001, subject to the procedures of the contingency fund.

16. The Advisory Committee further notes that the payment of travel and subsistence allowance to the members of the bureau would imply a waiver of the provisions contained in General Assembly resolution 1798 (XVII) of 11 December 1962 regarding such payment to members of organs and subsidiary organs of the United Nations (ibid., para. 8). The Assembly may wish to take a decision in this regard.

Annex

Reports presented orally by the Chairman of the Advisory Committee on Administrative and Budgetary Questions at meetings of the Fifth Committee at the fifty-fourth session of the General Assembly

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Programme budget implications of draft resolution A/54/L.24/Rev.1 concerning agenda item 47[1]

1. At the 41st meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the Advisory Committee on the statement of the Secretary-General (A/C.5/54/34) on the programme budget implications of draft resolution A/54/L.24/Rev.1 concerning the situation in Central America, said the programme budget implications arose from the continuation of the arrangements already authorized by the General Assembly for the support of the Central American peace process through 1999. As indicated in paragraph 8 of the statement submitted by the Secretary-General, should the General Assembly adopt the draft resolution, the continuation in 2000 of the provision of related resources equivalent to one staff member at the P-4 level for a Political Affairs Officer and one staff member at the General Service level would be required. Total staff costs amounted to $187,700 and would be charged against the provision of $90.4 million for special political missions requested in section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001. The Committee concurred in the Secretary-General's estimate.

Programme budget implications of draft resolution I submitted by the Sixth Committee in its report (A/54/610) on agenda item 155[2]

2. At the 41st meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the Advisory Committee on the statement of the Secretary-General (A/C.5/54/35) on the programme budget implications of draft resolution I submitted by the Sixth Committee in paragraph 7 of its report (A/54/610), said the draft resolution called on the General Assembly to decide, without prejudice to any future decision, that the next session of the International Law Commission would be held at the United Nations Office at Geneva from 1 May to 9 June and from 10 July to 18 August 2000. The holding of a split session would result in additional travel and subsistence costs amounting to $105,200. Should the General Assembly adopt the draft resolution, an additional appropriation of $105,200 would be required under section 8, Legal affairs, of the proposed programme budget for the biennium 2000-2001.

3. Consequently, the Advisory Committee recommended that the General Assembly should be informed that, should it adopt the draft resolution, additional expenditure of $105,200 would arise under section 8 of the proposed programme budget for the biennium 2000-2001, to be considered in the context of the procedures for the use and operation of the contingency fund.

Programme budget implications of draft resolution Q submitted by the First Committee in its report (A/54/563) concerning agenda item 76[3]

4. At the 41st meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the Advisory Committee on the statement of the Secretary-General (A/C.5/54/31) on the

[1] The situation in Central America: procedures for the establishment of a firm and lasting peace and progress in fashioning a region of peace, freedom, democracy and development.

[2] Report of the International Law Commission on the work of its fifty-first session.

[3] General and complete disarmament:

...

(*f*) Small arms.

programme budget implications of draft resolution Q submitted by the First Committee in paragraph 64 of its report (A/54/563) and on the related observations of the Committee on Conferences (A/C.5/54/31/Add.1), said that, under the terms of the draft resolution, the General Assembly would, inter alia, decide to convene the United Nations Conference on the Illicit Trade in Small Arms and Light Weapons in All Its Aspects in June/July 2001 and to establish a preparatory committee, which would hold no less than three sessions, the first of which would be convened in New York from 28 February to 3 March 2000. The preparatory committee would decide, at its first session, on the date and venue of the Conference in 2001, as well as on the dates and venues of its subsequent sessions, and would make recommendations to the Conference on all relevant matters, including the objective, a draft agenda, draft rules of procedure and draft final documents.

5. It was apparent from paragraph 9 of the statement of the Secretary-General (A/C.5/54/31) that no provision had been made in the proposed programme budget for the biennium 2000-2001 for the convening of the Conference and its preparatory committee. Provisions for the related requirements would therefore have to be made under section 4, Disarmament, section 2, General Assembly affairs and conference services and section 26, Public information.

6. On the assumption that the three sessions of the preparatory committee and the Conference itself would be convened in New York, conference-servicing requirements were estimated at $1,599,700. As provision for conference services was made under the relevant sections of the proposed programme budget for the biennium 2000-2001, no additional appropriation would be required under section 2. In accordance with General Assembly resolution 37/14, neither the Conference nor its preparatory committee would be entitled to the provision of summary records, the cost of which was estimated at $448,900.

7. In the context of the potential for absorption of the conference-servicing costs of the preparatory committee and the Conference, the Advisory Committee reiterated its comments contained in its first report on the proposed programme budget for the biennium 2000-2001,[4] in which it had expressed its concern regarding the reduction in temporary assistance for meetings.

8. Non-conference-servicing requirements would comprise temporary assistance, consultancy services and information activities, as described in paragraph 16 of the statement of the Secretary-General (ibid.), and press coverage of the Conference and its preparatory committee, the total estimated cost of which would be $338,500.

9. The Advisory Committee noted that it was planned to issue a press kit for the Conference in English, French and Spanish and took the view that any such press kit should be made available in all the official languages of the United Nations. As no reply had been received from the Secretariat to the Committee's request for information on the costs associated with the production of the kits in Arabic, Chinese and Russian, the Advisory Committee reiterated its request to the Secretariat to provide the information to the Fifth Committee.

10. The statement of the Secretary-General did not provide for the full cost of carrying out the activities envisaged in paragraphs 13 and 14 of the draft resolution, which called for implementation within available financial resources and with any other assistance provided by Member States in a position to do so. The Advisory

[4] *Official Records of the General Assembly, Fifty-fourth Session, Supplement No. 7* (A/54/7).

Committee had previously noted the use of the phrase "within existing resources" in a number of resolutions and decisions of the General Assembly and emphasized the responsibility of the Secretariat to provide comprehensive and accurate information to the Assembly about whether there were enough resources to implement a new activity. Such information should be provided to the Fifth Committee.

11. The Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution, an additional appropriation of at least $723,100 would be required under sections 4, Disarmament, and 26, Public information, of the proposed programme budget for the biennium 2000-2001. Should the Assembly decide on the provision of summary records, an additional appropriation of $448,900 would be required under section 2, General Assembly affairs and conference services. In addition, an amount of at least $56,500 would be required under section 32, Staff assessment, to be offset by an equivalent amount under income section 1, Income from staff assessment, for additional staff for the Department of Disarmament Affairs.

Programme budget implications of draft resolution A/54/L.36 concerning agenda item 48[5]

12. At the 44th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally introducing the report of the Advisory Committee on the statement of the Secretary-General (A/C.5/54/38) on the programme budget implications of draft resolution A/54/L.36, said the draft resolution and the recent decision taken by the Security Council in its resolution 1277 (1999) would phase out the current International Civilian Mission in Haiti (MICIVIH) and the United Nations Civilian Police Mission in Haiti (MIPONUH) and establish a new International Civilian Support Mission in Haiti (MICAH). The Secretary-General had estimated the cost of the new mission, including the residual cost of MICIVIH, at $24.8 million. An amount of $14.5 million would be funded from extrabudgetary resources and $10.3 million from the regular budget.

13. The cost of extending MICIVIH to 15 March 2000 was $1.2 million gross. That amount was to be funded from the regular budget and was included in the $10.3 million gross to be authorized and charged against the provision for special missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001. The cost of extending MIPONUH to 15 March was estimated at $2.2 million gross.

14. The Advisory Committee had previously authorized the Secretary-General to enter into commitments of up to $2.2 million gross in accordance with General Assembly resolution 49/233 A.

15. The Advisory Committee recommended that the General Assembly should accept the estimate proposed by the Secretary-General.

Programme budget implications of draft resolution II submitted by the Third Committee in its report (A/54/604) concerning agenda item 115[6]

16. At the 44th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally presenting the report of the

[5] The situation of democracy and human rights in Haiti.
[6] Right of peoples to self-determination.

Advisory Committee on the statement of the Secretary-General (A/C.5/54/36) on the programme budget implications of draft resolution II, entitled "Use of mercenaries as a means of violating human rights and impeding the exercise of the right of peoples to self-determination", contained in paragraph 14 of the report of the Third Committee (A/54/604), said the Secretary-General had submitted an estimate of $184,600. The Advisory Committee recommended that the Fifth Committee should accept that amount which, should the General Assembly adopt the draft resolution, would represent a charge against the contingency fund.

Death and disability benefits

17. At the 45th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, said that the note by the Secretary-General (A/C.5/54/13) contained the ninth quarterly report on death and disability claims submitted in accordance with General Assembly resolution 51/239 A. The eighth quarterly report (A/C.5/53/66) had indicated that, as at 31 March 1999, 222 claims had been awaiting processing; that number had increased to 285 as at 30 June and to 317 as at 30 September 1999 (A/C.5/54/13, para. 4). From 31 March to 30 September 1999, 117 claims had been processed; however, 212 new claims had been received. The Secretariat should monitor the situation carefully to ensure that the backlog previously identified, which had amounted to 564 as at 19 May 1997, did not begin to build up again. The failure to employ more resources in that regard could result in such a situation, as shown by the increase in the number of pending claims between 31 March and 30 September 1999. Subject to those observations, the Advisory Committee recommended that the General Assembly should take note of the note by the Secretary-General.

Programme budget implications of the draft resolution submitted by the Second Committee in its report (A/54/587/Add.6) concerning agenda item 99 (*f*)[7]

18. At the 48th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said that according to the statement of the Secretary-General (A/C.5/54/43) on the programme budget implications of the draft resolution entitled "Implementation of the Programme of Action for the Least Developed Countries for the 1990s", which was submitted by the Second Committee in paragraph 7 of its report (A/54/587/Add.6), any additional costs resulting from a change of venue of the Third United Nations Conference on the Least Developed Countries from Geneva to Brussels would be borne by the European Union; however, the holding of the meetings of the intergovernmental preparatory committee in New York would constitute an exception to section I, paragraph 4, of General Assembly resolution 40/243.

19. The cost of the participation of two government representatives from each least developed country in the two preparatory committee meetings and the Conference itself was estimated at $1.7 million, to be met from extrabudgetary resources. Should they be insufficient, however, the Secretary-General's understanding was that he would be authorized to use, first, the unspent balance of the resources approved by the General Assembly in paragraph 2 of its resolution 53/3, amounting to $576,700 as at 30 September 1999, which should be sufficient to cover the cost of

[7] Sustainable development and international economic cooperation: implementation of the Programme of Action for the Least Developed Countries for the 1990s.

participation of two representatives from all least developed countries to the first meeting of the preparatory committee. In the event that there continued to be a shortfall in extrabudgetary resources, the Secretary-General would bring the situation to the attention of the Assembly at its fifty-fifth session.

20. Payment of travel for representatives of least developed countries, as envisaged in paragraph 14 of the draft resolution, would imply an exception to the provisions of General Assembly resolution 1798 (XVII) regarding the payment of travel and subsistence expenses in respect of members of organs and subsidiary organs of the United Nations.

21. Although the Secretary-General had a number of options for financing the participation of representatives of least developed countries in the preparatory committee meetings, he had elaborated on only one of them, the use of the unspent balance of UNCTAD resources approved under General Assembly resolution 53/3. That option entailed some difficulties, however. The resolution provided for covering the expenses of experts attending, in their personal capacity, expert meetings convened by commissions of one specific body, the Trade and Development Board, not activities of the kind outlined in the draft resolution. Under the circumstances, the Assembly might wish to consider approving the use of savings from the programme budget for the biennium 1998-1999 or making provision in the proposed programme budget for 2000-2001.

22. Other additional requirements resulting from paragraph 16 of the draft resolution included a provision of $541,400 in general temporary assistance for the Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries.

23. The Advisory Committee recommended that the Fifth Committee should inform the General Assembly that, should it adopt the draft resolution, additional provisions of $616,400 under section 11A, Trade and development, and $30,000 under section 26, Public information, would be required over and above the resources included in the proposed programme budget for the biennium 2000-2001. Under the procedures established by the Assembly in its resolutions 41/213 and 42/211, those provisions would represent a charge against the contingency fund. Depending on the action the Assembly took with regard to the financing of the participation of representatives of least developed countries, there might be an additional charge against the contingency fund.

Utilization of the provision for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001

24. At the 50th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said that, in the context of the budget outline for the biennium 2000-2001, an amount of $86.2 million had been authorized by the General Assembly for special missions. The actual charge against that authorization would depend on the special missions authorized by the Security Council. The note by the Secretary-General (A/C.5/54/45) indicated that the $86.2 million had been recosted to roughly $90.4 million. It also indicated that at the current session the amount to be charged against that recosted provision totalled approximately $55.4 million, leaving an unallocated balance of $35,024,100. The Advisory Committee recommended that the Assembly should take note of the note by the Secretary-General.

Contingency fund: consolidated statement of programme budget implications and revised estimates

25. At the 50th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said the Secretary-General indicated in his report (A/C.5/54/46) that an amount of roughly $2.7 million had been charged to the contingency fund and that the balance remaining was $15.7 million. However, that figure had now been revised and a total of $16,362,700 remained for future use. The Advisory Committee recommended that the Assembly should take note of the balance of $16,362,700 remaining in the contingency fund for the proposed programme budget for the biennium 2000-2001.

Estimates pertaining to matters of which the Security Council is seized

26. At the 56th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said the Advisory Committee had considered the report of the Secretary-General of 20 March 2000 in connection with two political missions pertaining to matters of which the Security Council was seized (A/C.5/54/52), which had been submitted in the context of actions taken by the Security Council regarding good offices, preventive diplomacy and conflict peace-building missions on the basis of requests from Governments or recommendations of the Secretary-General.

27. By its resolution 1233 (1999) the Security Council had expressed its support for the decision of the Secretary-General to establish the United Nations Peace-building Support Office in Guinea-Bissau (UNOGBIS). Its initial mandate had been from 15 April to 31 December 1999.

28. As indicated in paragraph 3 of the report of the Secretary-General (ibid.), the requirements of UNOGBIS for the period from 15 April to 31 December 1999 had been met from the commitment authority granted to the Secretary-General by the General Assembly in paragraph 1 (*a*) of its resolution 52/223 on unforeseen and extraordinary expenses for the biennium 1998-1999, which had been approved in the context of the final budget appropriations for that biennium.

29. By its letter of 15 December 1999 (S/1999/1253), the Security Council had taken note of the proposal of the Secretary-General to extend the mandate of UNOGBIS for three months until 31 March 2000. The Advisory Committee noted that requirements for that period ($557,200) were being met from the commitment authority granted to the Secretary-General by the General Assembly in paragraph 1 (*a*) of its resolution 54/252 on unforeseen and extraordinary expenses for the biennium 2000-2001.

30. By its letter dated 10 March 1999 (S/2000/202), the Security Council had taken note of the proposal of the Secretary-General to extend the mandate of UNOGBIS for one year from 1 April 2000 to 31 March 2001. The Advisory Committee noted from paragraph 7 of the report of the Secretary-General (A/C.5/54/52) that the estimated requirements for that period would amount to $2,723,300. Upon inquiry, the Advisory Committee was provided with the organizational charts of the two missions indicating their staffing requirements by function. The Committee also noted from paragraph 4 of annex I B to the report that a P-4 post for an information officer had been requested for UNOGBIS.

31. With regard to transport operations, the Advisory Committee noted from paragraph 7 of annex I B to the report of the Secretary-General (ibid.) that UNOGBIS had seven vehicles with high mileage received from the United Nations Observer Mission in Angola (MONUA), and that provision had been made for the acquisition of six new vehicles. In the light of the fact that the current fleet of seven vehicles had high mileage, the cost-effectiveness of keeping them in service should be examined. As for the proposal to purchase six new vehicles, the Committee requested that the possibility of obtaining some of those vehicles from the United Nations Mission in the Central African Republic should be explored.

32. By its letter of 10 December 1999 (S/1999/1236), the Security Council had taken note with appreciation of the proposal of the Secretary-General to establish the United Nations Peace-building Support Office in the Central African Republic (BONUCA), initially for one year. The Advisory Committee noted from paragraph 10 of the report of the Secretary-General that the estimated requirements for BONUCA for the period from 15 February 2000 to 14 February 2001 amounted to $3,431,300.

33. In paragraph 17 of annex II to the report of the Secretary-General, provision had been made ($156,000) for the training programme for BONUCA. Upon inquiry, the Advisory Committee was informed that the amount for the training programme under the regular budget was in addition to voluntary contributions. It was also informed that, in the case of UNOGBIS, that function would be carried out exclusively using extrabudgetary resources.

34. The Advisory Committee recommended approval of the charge of the total requirements of $6,154,600 against the provision of $90,387,200 for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001. The total charge thus far against that provision amounted to $61,517,700, leaving a balance of $28,869,500.

35. At the 63rd meeting, the Chairman of the Advisory Committee, presenting the oral report of the Committee, recalled that by its resolution 1268 (1999) the Security Council had authorized the establishment of the United Nations Office in Angola (UNOA) for an initial period of six months ending 15 April 2000 and that the General Assembly, in its resolution 54/250 A, had approved a provision for UNOA in the proposed programme budget for the biennium 2000-2001 of $2,030,500 for the period from 1 January to 15 April 2000. Subsequently, by its resolution 1294 (2000), the Security Council had extended the mandate of UNOA to 15 October 2000.

36. According to paragraph 5 of the report of the Secretary-General of 18 April 2000 (A/C.5/54/53), the total cost of the extension of the mandate was estimated at $4,434,400, to be partly offset by savings of $588,100 from the appropriations for the prior mandate period. The Advisory Committee agreed with the resulting proposed charge of $3,846,300 against the provision of $90,387,200 for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001.

37. With regard to staff resources, the Advisory Committee noted that the Security Council, in paragraph 2 of its resolution 1268 (1999), had decided that UNOA should consist of up to 30 substantive Professional staff. In that regard, the Committee drew attention to the fact that it was the function of the General

Assembly, upon the recommendation of the Fifth Committee, to establish the level of resources, including staff, for activities of the Organization.

38. In paragraph 6 of the report of the Secretary-General (ibid.) it was indicated that 114 posts (73 current and 41 new posts) were being proposed. It had been clarified that the 41 additional posts were required because support from MONUA and the United Nations Development Programme was no longer available. The Advisory Committee recommended that, in future, the basis for establishing additional posts should be made clear. The rate of the mission subsistence allowance for international staff was being calculated at $72 rather than $116 per day because accommodation was being provided free of charge, as explained in paragraph 4 of the annex to the report.

39. The Advisory Committee recalled that the Security Council, by its resolution 1237 (1999), had established an independent panel of experts to investigate violations of the measures imposed by the Council against the União Nacional para a Independência Total de Angola (UNITA) in its resolutions 864 (1993), 1127 (1997) and 1173 (1998). Following the submission of the panel's report, the Security Council, in paragraph 3 of its resolution 1295 (2000), had requested the Secretary-General to establish a monitoring mechanism composed of up to five experts for a period of six months from its effective entry into operation to collect information on alleged violations through investigation of relevant leads, including those initiated by the panel of experts, and visits to relevant countries.

40. As indicated in paragraph 4 of the report of the Secretary-General of 3 May 2000 (A/C.5/54/57), the resource requirements for a monitoring mechanism comprising five experts for six months were estimated at $710,600. The Advisory Committee recommended that the General Assembly should approve a charge of $710,600 against the provision of $90,387,200 for special political missions under section 3, Political affairs, of the proposed programme budget for the biennium 2000-2001.

41. Should the General Assembly approve the two charges, the total charge against the provision for special political missions would amount to $66,074,600, leaving an uncommitted balance of $24,312,600.

Gratis personnel provided by Governments and other entities

42. At the 56th meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions, orally introducing the report of the Advisory Committee on gratis personnel provided by Governments and other entities, said the report of the Secretary-General of 8 March 2000 (A/C.5/54/51) had been submitted in response to the request made by the General Assembly in paragraph 6 of its resolution 51/243 that the Secretary-General should report on a quarterly basis on the acceptance of the gratis personnel referred to in paragraph 4 of the resolution, with a view to ensuring compliance with its provisions.

43. Upon inquiry, the Advisory Committee was informed that the posts of water and sanitation expert and head of electricity and power supply service listed in table 3 of the report of the Secretary-General (ibid.) had already been budgeted for and included in the staffing table of the United Nations Transitional Administration in East Timor (UNTAET). However, since the posts, which were considered to be of

critical importance, had not been established in the early stages of the mission, experts from Australia had been provided.

44. The Advisory Committee was informed that all gratis personnel attached to the United Nations Interim Administration Mission in Kosovo (UNMIK), namely 11 Cuban and five Swiss nationals, had either already left the Mission or would do so by 30 April 2000, since none of them had been authorized to stay beyond a six-month period. With regard to the replacement of the 11 Cuban medical officers, the Committee was also informed that there was provision in the budget of UNMIK under public health administration to bring on board advisers and experts in that field. The Committee was further informed that UNTAET had 20 medical United Nations Volunteers, who provided support for United Nations civilian staff. There was no equivalent United Nations Volunteer presence, however, in UNMIK. In that connection, the Committee wished to recall paragraph 38 of its report on the financing of UNMIK (A/54/622), in which it recommended that a study should be made of the potential for wider use of United Nations Volunteers to meet the requirements of field missions, and submitted to the General Assembly by the main part of its fifty-fifth session. The Committee proposed to return to the matter in the context of its consideration of the study. In conclusion, the Committee recommended that the Assembly should take note of the report of the Secretary-General on gratis personnel provided by Governments and other entities.

45. At the 67th meeting, the Chairman of the Advisory Committee said the report of the Secretary-General of 2 May 2000 (A/C.5/54/54) had been submitted in response to a request for quarterly reports on the acceptance of gratis personnel made by the General Assembly in paragraph 6 of its resolution 51/243 with a view to ensuring compliance with the provisions of that resolution. During the period from 1 January to 31 March 2000 the number of gratis personnel had been reduced from 18 to 1. The one remaining person was a water and sanitation expert working for the Field Administration and Logistics Division of the Department of Peacekeeping Operations and assigned to UNTAET. That individual's contract was due to expire at the end of May 2000.

46. The report of the Secretary-General also provided data on type I gratis personnel. In paragraph 13 of its report of 7 May 1998 (A/52/890), the Advisory Committee had indicated that the personnel of the United Nations Special Commission (UNSCOM) worked under special service agreements and that support costs were funded from the frozen assets or voluntary contributions related to Security Council resolutions 778 (1992) and 986 (1995). The Committee had also indicated that type I gratis personnel were governed by administrative instruction ST/AI/231/Rev.1, which applied to gratis personnel performing functions of a purely technical and operational nature funded through voluntary contributions.

47. The Advisory Committee had sought further information on the request for gratis personnel with specialized forensic skills for the International Tribunal for the Former Yugoslavia, since no provision for such personnel had been included in the proposed budget for the Tribunal for 2000. However, the newly appointed Prosecutor had indicated that investigative work should be conducted and that additional help would be needed. The Advisory Committee had requested that the issue should be clarified in the Fifth Committee (A/54/645, para. 42). The appropriation recommended by the Advisory Committee and approved by the General Assembly in its resolution 54/239 A did not provide for the investigative

work associated with the additional crime sites. The Secretary-General, in his letter of 27 January 2000 to the President of the General Assembly (A/54/734), had indicated that the proper investigation of events in Kosovo and the effective implementation of the mandate of the Tribunal dictated that the remaining sites should be investigated. Moreover, the work could not be accomplished during 2000 without the additional assistance of Member States. Therefore, the Secretary-General intended to approve the Prosecutor's request to accept gratis personnel for the purpose of conducting forensic investigations in Kosovo in 2000 for a limited period of six months. The letter of the Secretary-General indicated that the Tribunal's acceptance of gratis personnel would comply with General Assembly resolutions 51/243 and 52/234.

Programme budget implications of draft resolution A/54/L.83/Rev.1 concerning agenda item 49 (*b*)[8]

48. At the 61st meeting, the Chairman of the Advisory Committee on Administrative and Budgetary Questions said the Advisory Committee had considered the statement of the Secretary-General (A/C.5/54/60) on the programme budget implications of draft resolution A/54/L.83/Rev.1. Under the terms of the draft resolution, the structure and composition of the Millennium Summit and the composition and modalities of the four interactive round-table meetings to be held in concurrence with the plenary meetings would be established in accordance with the procedures set forth in the annex to the draft resolution.

49. The assumptions were that the four round-table meetings would be held consecutively but in concurrence with the plenary meetings, that the round-table meetings would have at least 40 seats and would be chaired by a head of State, that interpretation would be provided in all the official languages of the Organization and that all the round-table meetings would be held in the Economic and Social Council Chamber. The estimated requirements for the Department of Public Information would be in the range of $544,600 to $731,200 and for the Office of Central Support Services in the range of $567,300 to $670,400. Those amounts would be in addition to the $450,000 required for security coverage and $191,600 for protocol. The related provisions would be reflected in the first performance report on the programme budget for the biennium 2000-2001.

50. Upon inquiry, the Advisory Committee was informed that the total requirements for the Millennium Assembly, as set out in the statement of the Secretary-General (ibid.), together with the amounts indicated under sections 1, Overall policy-making, direction and coordination, and 26, Public information, of the proposed programme budget for the biennium 2000-2001, amounted to $2,950,000.

51. The Advisory Committee was informed that the reason for the indication of a range of requirements was that two main elements remained to be decided at the intergovernmental level, namely, whether the round-table meetings would be held as open or closed meetings and how extensive the reconfiguration of the Economic and Social Council Chamber would need to be. The Committee was informed that two options were being considered to improve sight lines in the Chamber: a relatively simple option, which would entail costs of approximately $6,000, and a more

[8] United Nations reform: the Millennium Assembly of the United Nations.

extensive reconfiguration, involving the construction of a platform in the Chamber, which would entail costs of $110,000.

52. Upon inquiry, the Advisory Committee was informed that there were no plans for selling television coverage of the Millennium Assembly to the media. The Committee recommended that consideration should be given to charging a user fee to private sector media.

53. The Advisory Committee also inquired as to whether the arrangements for the Millennium Assembly would result in any permanent upgrades to the facilities at Headquarters and was informed that the only permanent upgrade that had been envisaged was the acquisition of a wireless local area network. In the opinion of the Advisory Committee, such important events as the Millennium Assembly presented an opportunity to upgrade facilities, and the Committee therefore recommended that efforts should be made to maximize long-term benefits to the Organization.

54. The Advisory Committee wished to point out that there was no precedent for the use of ranges of requirements in statements of programme budget implications and that that practice eroded the meaning of the exercise. The Committee understood, however, that some of the uncertainties regarding requirements had to do with intergovernmental decisions over which the Secretariat had no control. Bearing that fact and its other comments and observations in mind, the Committee recommended that the Fifth Committee should inform the General Assembly that the adoption of draft resolution A/54/L.83/Rev.1 would give rise to an estimated requirement not exceeding $1,401,600. Where necessary, such appropriation would be subject to the use and operation of the contingency fund.

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